# CITY OF CHESTER

## Delaware County, Pennsylvania

## 2025 Budget

Mayor Stefan Roots

Councilwoman Portia West, Deputy Mayor
Councilman Fred Green
Councilman Shy'Quan Davis
Councilwoman Tameka Gibson

**First Reading By Chester City Council**
***November 27, 2024***

**Final Reading By Chester City Council**
***December 16, 2024***

# Table of Contents

2025 City Budget Overview ..... 1

General Fund Revenue Overview ..... 5

General Fund Revenue Detail ..... 9

General Fund Expenditures ..... 19

American Rescue Plan Act (ARPA) Fund ..... 52

Capital Budget ..... 54

Other Funds ..... 56

# 2025 City Budget Overview

This budget document serves several goals as the City of Chester government (or "City") enters the 2025 fiscal year:

- It presents the revenues and expenditures authorized by Chester City Council for collection and spending during 2025. The numbers presented in this document match those adopted by City Council in a 5-0 vote on December 18, 2024. Only the presentation has changed.

- It explains how the City's elected and appointed leaders will manage the money entrusted to them by Chester's residents, businesses, commuters and other tax payers and prioritize the application of limited resources toward many needs.

- It provides a basis to measure the City's financial performance throughout 2025 – whether the City is collecting more or less revenue than expected, spending more or less in specific areas and overall, etc. Measuring performance throughout the year will help the City's leaders to *improve* that performance throughout the year.

- It will help the public get a better understanding of what City government does, how it's funded, and what its expenditures are

The numbers presented in this document may differ from those presented elsewhere because of its basis of accounting, which means the timing for when transactions are record.

The City uses full accrual or the modified accrual basis of accounting, as appropriate for each fund type or activity, in accordance with the Generally Accepted Accounting Principles (GAAP). The funds presented in this document use the modified accrual basis. This means that revenues are recorded when they are considered available and measurable, which includes revenues collected within 60 days of the end of the current fiscal period. In other words, some revenue collected in early 2025 will be considered 2024 revenue, and some revenue collected in early 2026 will be considered 2025 revenue.

Expenditures are recorded when a liability is incurred, regardless of when the actual cash outlay is made. However, debt service and other long-term obligations, such as compensated absences, claims, and judgments, are recorded only when payment is due.

**Fund structure**

The City's accounting system is organized on a fund basis. A fund is a grouping of related accounts used to control resources that have been segregated for specific activities or objects. Each fund has its own set of self-balancing accounts comprised of assets, liabilities, fund equity, revenue, expenditures, or expenses as appropriate.

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government that are not accounted for in another fund. Most general fund revenues come from the real estate (or property) tax; the earned income (or wage) tax; casino-generated revenues; and the waste-to-energy facility host fee paid by ReWorld (formerly Covanta).

The City uses that revenue to fund most daily services provided to Chester residents including police patrol, fire suppression, parks maintenance, and revenue collection. The General Fund also supports internally focused

services such as Human Resources, Information Technology, purchasing, and accounting.

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City's **Liquid Fuels Fund** contains revenues that may only be spent on the maintenance and repair of roads, streets, bridges, traffic lights and street signals.

Capital Projects Funds account for financial resources to be used for the acquisition, construction, or renovation of capital facilities or other equipment that ultimately becomes a fixed asset of the City.

The City has a **Capital Projects Fund** with $4.7 million in planned expenditures, which are mostly covered by Community Development Block Grant (CDBG) funding managed by the Chester Economic Development Agency (CEDA) and a large General Fund transfer made at the end of 2024 when the City reallocated money associated with several positions that were vacant throughout that year.

The City also has a separate fund that holds the remaining allocation from the **American Rescue Plan Act of 2021**. ARPA is the federal stimulus law that Congress enacted during the COVID-19 pandemic. The City has already used a large portion of its ARPA allocation to fund daily services and execute capital projects related to the health and safety of the community. This section explains how the City will use a portion of the balance in 2025.

The City has two enterprise funds that account for activities that operate similarly to private sector business, where the City intends that the cost of providing services to the general public will be covered through user charges or periodically through unrestricted net assets. The **Solid Waste Fund** records financial activity related to the City's curbside residential refuse and recyclable collection program, and the **Rental Inspection Fund** records financial activity related to the City's program for registering and inspecting residential rental properties.

### Is the 2025 budget balanced?

While the 2025 budget is presented as balanced – revenues collected in 2025 are sufficient to cover expenditures planned for 2025 – we note one critical point to understanding the City's current financial position.

For several years, the City did not make its annual required contributions to its three employee pension plans. Entering 2020, the City was delinquent on its 2019 contribution to the Firemen's Pension Plan; its 2019 contribution to the Officers and Employees (O&E) Pension Plan; and its 2015-2019 contributions to the Police Pension Plan. **The City must pay those outstanding contributions, along with any associated interest costs that grow every year they remain unpaid.**

Since 2021, the City has made its full budgeted contribution to each of the three pension plans. While significant, the City's contributions in 2021, 2022, 2023 and 2024 were not large enough to pay off the delinquent amounts, the associated interest costs, and the current year contributions due in each of those years. Entering 2025, the City will owe part of its 2023 and full 2024 contributions to the Firemen's pension plan; part of its 2022 and full 2023 and 2024 contributions to the O&E plan; and part of its 2020 and full 2021 - 2024 contributions to the Police plan. **The estimated total cost of these outstanding contributions is more than $43 million.**

**The $43 million in outstanding contributions are not included in the 2025 budget because the City cannot make those past due contributions and maintain vital and necessary services.**

This budget describes the revenues and expenditures for each of the funds shown below with activity in 2025. City Finance provided the 2024 year-end projections shown below and throughout this document.

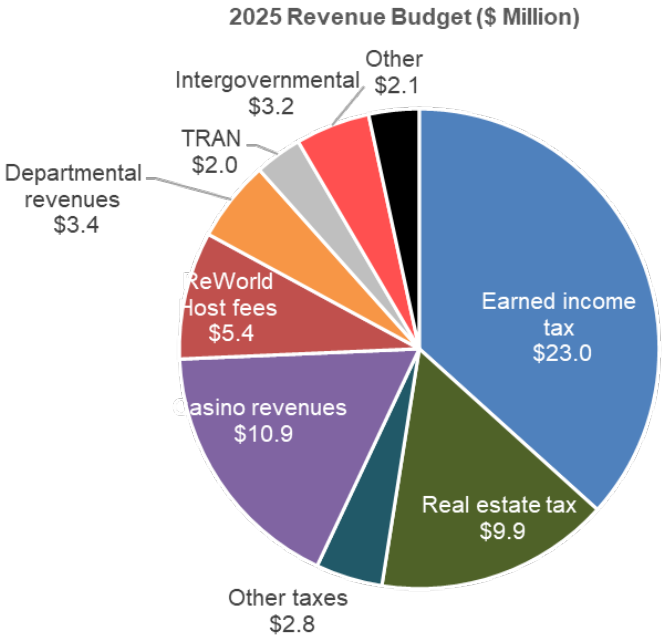
| | 2025 Budget | 2024 Projected | $ Change (Unfavorable) | % Change |
|---|---|---|---|---|
| **General Fund (01)** | | | | |
| Revenues | 62,749,420 | 69,598,420 | (6,849,000) | -9.8% |
| Expenditures[1] | 62,749,420 | 69,497,028 | 6,747,608 | -9.7% |
| **Net Surplus (Deficit)** | **-** | **101,392** | **(101,392)** | 0.0% |
| **Liquid Fuels (02)** | | | | |
| Revenues | 883,011 | 859,621 | 23,390 | 2.7% |
| Expenditures | 1,142,722 | 889,470 | (253,252) | 28.5% |
| **Net Surplus (Deficit)** | **(259,711)** | **(29,849)** | **(229,862)** | 770.1% |
| **Capital Reserve (04)** | | | | |
| Revenues | 3,492,064 | 1,922,447 | 1,569,617 | 81.6% |
| Expenditures | 4,663,902 | 651,609 | (4,012,293) | 615.8% |
| **Net Surplus (Deficit)** | **(1,171,838)** | **1,270,838** | **(2,442,676)** | -192.2% |
| **Solid Waste (08)** | | | | |
| Revenues | 3,575,000 | 3,416,932 | 158,068 | 4.6% |
| Expenditures | 3,435,880 | 3,491,905 | 56,025 | -1.6% |
| **Net Surplus (Deficit)** | **139,120** | **(74,973)** | **214,093** | -285.6% |
| **American Rescue Plan Act of 2021 (ARPA) (10)** | | | | |
| Revenues | 9,133,497 | 11,358,950 | (2,225,453) | -19.6% |
| Expenditures | 9,133,497 | 10,658,950 | 1,525,453 | -14.3% |
| **Net Surplus (Deficit)** | **-** | **700,000** | **(700,000)** | 100.0% |

[1] Expenditures do not include $43 million in outstanding contributions to the employee pension plans.

| | 2025 Budget | 2024 Projected | $ Change (Unfavorable) | % Change |
|---|---|---|---|---|
| **Rental Inspection Fund (14)** | | | | |
| Revenues | 650,000 | 650,000 | - | 0.0% |
| Expenditures | 625,000 | 625,000 | - | 0.0% |
| **Net Surplus (Deficit)** | **25,000** | **25,000** | **-** | 0.0% |
| **Debt Service Fund** | | | | |
| Revenues | - | 3,177,250 | (3,177,250) | -100.0% |
| Expenditures | - | 3,177,250 | 3,177,250 | -100.0% |
| **Net Surplus (Deficit)** | **-** | **-** | **-** | |
| **Special Events (42)** | | | | |
| Revenues | 65,500 | 2,500 | 63,000 | 2520.0% |
| Expenditures | 65,000 | 60,000 | (5,000) | 8.3% |
| **Net Surplus (Deficit)** | **500** | **(57,500)** | **58,000** | |

## General Fund Revenue Overview

The 2025 revenue budget for the City's main operating fund is $62.7 million with more than three quarters of the total coming from four sources: the earned income tax; the real estate (or property) tax; casino-generated revenues; and the waste-to-energy facility host fee paid by ReWorld (formerly Covanta).




The City levies a 3.75 percent **earned income tax** (EIT) on its residents, with 2.75 percent used to fund daily operations and 1.00 percent helping to fund the City's severely distressed employee pension plans. The City also levies a 2.00 percent EIT on commuters with taxable earnings in Chester. Revenue from the first 1.00 percent is usually remitted back to the commuter's home municipality and revenue from the second 1.00 percent goes toward the City's distressed pension plans.

By law the City must use revenue from the distressed pension EIT to fund pension related costs. It may not be used to fund daily operations or debt repayment. Altogether, the EIT is projected to generate $23.0 million in 2025, or 36.7 percent of the General Fund budget.

The City levies a **real estate tax** on the assessed value of taxable property (land and buildings) in Chester. Delaware County now generates property assessments for Chester. The City's real estate tax rate for 2025 is the same as in 2024 with 9.4041 mills[1] assessed to support the General Fund and 0.4017 mills assessed to support the J. Lewis Crozer Library. Total real estate tax (including the Library's portion) is projected at $9.9 million for 2025.

The 2025 budget anticipates **Harrah's Casino and Racetrack** will generate $10.9 million through a combination of host fees and the City's share of revenues generated by table-game and slots activity at the facility.

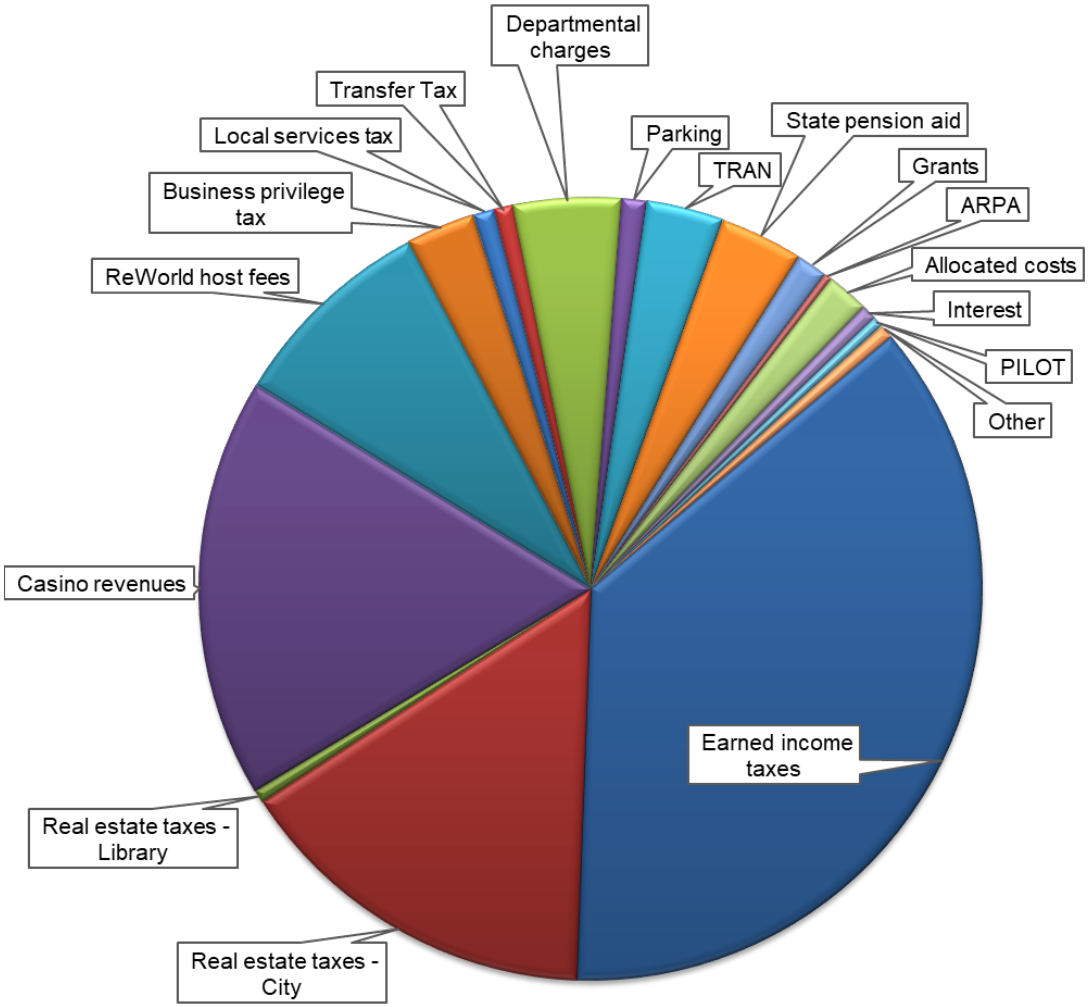
The City receives quarterly host payments from ReWorld related to the waste-to-energy facility. Those **host payments** are based on the tonnage of waste processed at the site and the source for the waste. The total projected revenue is $5.4 million.

***Please see the next page for a more complete breakdown of the City's General Fund revenue sources, including those related to other taxes and intergovernmental aid.***

[1] Each mill is a $1 tax for every $1,000 dollars of assessed value. So, an owner with a property assessed at $100,000 would pay $940.41 to the City's General Fund and $40.17 to the Library.

**General Fund Revenues ($ Millions)**

| Source | 2025 Budget | % of Budget |
|---|---|---|
| Earned income taxes | $23.0 | 36.7% |
| RE taxes - City | $9.6 | 15.3% |
| RE taxes - Library | $0.3 | 0.5% |
| Casino revenues | $10.9 | 17.3% |
| ReWorld host fees | $5.4 | 8.6% |
| Business privilege tax | $1.8 | 2.8% |
| Local services tax | $0.6 | 0.9% |
| Transfer Tax | $0.5 | 0.8% |
| Dept. charges | $2.8 | 4.5% |
| Parking | $0.6 | 1.0% |
| TRAN[2] | $2.0 | 3.2% |
| State pension aid | $2.2 | 3.4% |
| Grants | $0.8 | 1.3% |
| ARPA[3] | $0.2 | 0.3% |
| Allocated costs | $1.1 | 1.8% |
| Interest earnings | $0.4 | 0.6% |
| PILOT[4] | $0.3 | 0.4% |
| Other | $0.4 | 0.6% |
| Total | **$62.7** | **100%** |




[2] The Tax Revenue Anticipation Note (TRAN) is a $2 million no-interest cash flow loan from the Commonwealth to help the City fund operations until tax revenues arrive. There is an offsetting $2 million expenditure.
[3] The City will use $200,000 of its remaining American Rescue Plan Act of 2021 (ARPA) allocation to fund eligible positions in 2025. Please see the separate ARPA section of the budget for more information on how the City will use its remaining allocation.
[4] The City anticipates $275,000 in payments-in-lieu-of-taxes (PILOTs).

## Less to spend in 2025: What changed?

The 2024 General Fund budget projected the City would collect $68.7 million in revenue in 2024. City Finance projects the City will finish 2024 with $69.6 million General Fund in revenue, or 1.3 percent more than budgeted.

The 2025 General Fund budget shows a substantially smaller amount available to spend on operations. The total revenue projection is $62.7 million, which is $6.8 million (or 9.8 percent) less than projected for 2024. That revenue reduction is concentrated in three categories:

- **Smaller cash flow loan:** Like many other Pennsylvania local governments, the City of Chester borrows cash to fund operations for the first few months of the year. Most Pennsylvania governments receive a Tax Revenue Anticipation Note (TRAN) from a local bank in January and use that money to pay their employees, their vendors, and other obligations during the first quarter. After tax revenues start to arrive on their normal collection cycle, the governments repay the TRAN with interest before the year ends.

  Since it would be difficult for the City to secure a TRAN from a bank, the Commonwealth of Pennsylvania has provided one in the form of a zero-interest emergency loan. For 2024, the Commonwealth loaned the City $5 million, which the City is repaying as scheduled. For 2025, the Commonwealth loan will be $2 million.

  The smaller cash flow loan has minimal impact from a budgetary perspective. Since the City will borrow $3 million less than a year ago, it will repay $3 million less than a year ago. The offsetting reduction appears in the General Fund expenditures.

  From a broader perspective, though, this underscores the importance of careful cash management. The City needs to keep enough cash on hand through the end of the year so that money, in combination with the smaller loan, can cover the cost of vital and necessary services in the early part of the next year. This is especially important in view of the next two changes.

- **Approaching ARPA's end:** The City has relied on funding through the American Rescue Plan Act (ARPA) of 2021 to support daily operations since 2021. In 2024, the City's General Fund received $4.5 million, mostly from the Act's "revenue replacement" provision, that subsidized daily operations. In 2025, the City can no longer use that provision, so ARPA's contribution to the General Fund drops to just $200,000 in interest earnings transferred from the separate ARPA fund. The City will use the remainder of its ARPA allocation in 2025 and 2026 for infrastructure investments and programs described in a separate part of this budget. But the significant, temporary support that ARPA provided to the General Fund has ended.

- **End of SAFER grant:** In 2020, the City was awarded a federal Staffing for Adequate Fire and Emergency Response (or SAFER) grant that fully funded eight firefighter positions for three years. The grant period ended in 2024, so grant revenues will be lower in 2025.

The City does have some sources, like the distressed earned income tax, that should generate more revenue in 2025. In that case, the City must use the additional revenue for pension related expenditures, and the City expects to contribute more to the severely distressed employee pension plans than the minimum amount required. The marginal increases in other revenues are not expected to be large enough to offset the reduction in other areas, especially the $4.3 million reduction in ARPA.

***Please see the next page for a year-to-year comparison of General Fund revenues.***

## General Fund Revenue Comparison – 2024 versus 2025

| Source | 2024 Projected[5] | 2025 Budget | $ Change | % Change |
|---|---|---|---|---|
| Earned income taxes | $22,766,000 | $23,024,000 | $258,000 | 1.1% |
| Real estate taxes - City | $9,565,000 | $9,575,000 | $10,000 | 0.1% |
| Real estate taxes - Library | $340,000 | $342,000 | $2,000 | 0.6% |
| Casino revenues | $10,990,000 | $10,866,000 | ($124,000) | -1.1% |
| ReWorld host fees | $5,200,000 | $5,400,000 | $200,000 | 3.8% |
| Business privilege tax | $1,780,000 | $1,780,000 | $0 | 0.0% |
| Local services tax | $450,000 | $550,000 | $100,000 | 22.2% |
| Transfer tax | $475,000 | $495,000 | $20,000 | 4.2% |
| Departmental charges | $2,750,000 | $2,793,620 | $43,620 | 1.6% |
| Parking revenues | $480,000 | $645,000 | $165,000 | 34.4% |
| **TRAN[6]** | **$5,000,000** | **$2,000,000** | **($3,000,000)** | **-60.0%** |
| State pension aid | $2,145,420 | $2,150,000 | $4,580 | 0.2% |
| **Grants** | **$1,150,000** | **$800,000** | **($350,000)** | **-30.4%** |
| **ARPA[7]** | **$4,532,000** | **$200,000** | **($4,332,000)** | **-95.6%** |
| Allocated costs | $600,000 | $1,100,000 | $500,000 | 83.3% |
| Interest income | $700,000 | $400,000 | ($300,000) | -42.9% |
| PILOTs[8] | $275,000 | $275,000 | $0 | 0.0% |
| Other | $400,000 | $353,800 | ($46,200) | -11.6% |
| **General Fund total** | **$69,598,420** | **$62,749,420** | **($6,849,000)** | **-9.8%** |

[5] Year-end revenue projections provided by City Finance.
[6] The Tax Revenue Anticipation Note (TRAN) is a no-interest, cash flow loan provided by the Commonwealth of Pennsylvania. There is an offsetting $3 million reduction in General Fund expenditures.
[7] The American Rescue Plan Act of 2021 (ARPA) has subsidized the General Fund since 2021.
[8] The City receives $275,000 in payments-in-lieu-of-taxes (PILOTs).

## General Fund Revenue Detail – Real estate taxes[1]

The City levies a real estate tax on the assessed value of taxable property (land and buildings) in Chester. Real estate tax revenues are the product of three factors:

- **Total assessed value of taxable property (AV)**
- **Current year collection rate**
- **Tax rate (millage)**

City Treasury records show the assessed value dropping by 3.5 percent relative to the 2024 budget assumptions. The tax rate (9.4041 mills[2]) and assumed current year collection rate (80 percent) remain the same as in 2024, so projected real estate tax revenues are lower in 2025.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Assessed value of taxable property | $1,055,352,984 | $1,055,352,984 | **$1,017,923,194** | ($37,429,790) |
| Real Estate tax rate - City (mills) | 9.4041 | 9.4041 | **9.4041** | 0.0000 |
| Gross levy | $9,924,645 | $9,924,645 | **$9,572,652** | ($351,993) |
| Collection rate | 80.0% | 79.5% | **80.0%** | 0.0% |
| **Current year tax revenue - City** | **$7,939,716** | **$7,895,000** | **$7,700,000** | **($239,716)** |

The same calculation applies to the real estate tax revenue that the City collects and passes along to the J. Lewis Crozer Library.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Assessed value of taxable property | $1,055,352,984 | $1,055,352,984 | **$1,017,923,194** | ($37,429,790) |
| Real Estate tax rate - Library (mills) | 0.4017 | 0.4017 | **0.4017** | 0.0000 |
| Gross levy | $423,516 | $423,935 | **$408,900** | ($14,616) |
| Collection rate | 80.0% | 76.7% | **80.0%** | 0.0% |
| **Current year tax revenue - Library** | **$338,813** | **$325,000** | **$327,000** | **($11,813)** |

The City uses two external parties for delinquent (prior year) real estate tax collection. Delaware County Tax Claim handles collections for delinquent accounts prior to 2022 and eCollect collects on more recent accounts. The 2025 budget anticipates higher revenues due to more proactive collection activities.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Real estate tax - Delinquent (City) | $1,600,000 | $1,600,000 | **$1,800,000** | $200,000 |
| Real estate tax - Delinquent (Library) | $10,000 | $15,000 | **$15,000** | $5,000 |
| Real estate tax - Penalties | $60,000 | $70,000 | **$75,000** | $15,000 |

[1] For this section of the budget, 2024 Budget figures are based on the budget approved by City Council in December 2023 and do not incorporate the mid-year adjustments. Year-end projections provided by City Finance. The year-over-year change compares the 2025 budget to the 2024 budget.
[2] Each mill is a $1 tax for every $1,000 dollars of assessed value. So, an owner with a property assessed at $100,000 would pay $940.41 to the City's General Fund and $40.17 to the Library.

## General Fund Revenue Detail – Other local taxes

The City uses Pennsylvania law and its Home Rule Charter to levy the following taxes:

- **Earned income tax (EIT):** The City levies a 2.75 percent EIT on the taxable earnings of its residents and a 1.00 percent non-resident EIT on taxable earnings of commuters who work in Chester. Most of this commuter tax revenue is remitted back to the commuter's home municipality.

- **Distressed pension EIT:** The City levies an additional 1.0 percent EIT on the taxable earnings of residents and commuters. By law, the City must use this revenue to fund pension related costs.

- **Business privilege tax (BPT):** The BPT is levied on the gross receipts of businesses engaged in certain types of commercial activities within Chester's borders.

- **Local services tax (LST):** This is a $1 per week (or $52 per year) tax on anyone who works in Chester and has earnings above $12,000 per year.

- **Real estate (or deed) transfer tax:** Taking effect in Fall 2023, this is a 0.75 percent tax on the sale of any property in Chester[3].

The EIT is the City's single largest source of revenue. While Chester's income tax base is growing, the Chester Upland School District is in the process of claiming 0.50 percent of the 2.75 percent resident EIT rate. The projections assume the associated portion of EIT revenue will shift to the District effective January 1, 2025. Absent that change, EIT revenues are projected to grow by 4.7 percent in 2025.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| General Fund EIT | $12,966,000 | $14,100,000 | **$13,950,000** | $984,000 |
| Distressed pension EIT | $8,666,000 | $8,666,000 | **$9,074,000** | $408,000 |
| **EIT subtotal** | **$21,632,000** | **$22,766,000** | **$23,024,000** | **$1,392,000** |

There are no changes to the City's other local tax rates for 2025. The 2025 target for transfer tax revenues is lower because actual receipts fell short of budget for 2024, which was the first full year for this tax.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| BPT - Service | $1,725,000 | $1,660,000 | **$1,660,000** | ($65,000) |
| BPT - Retail | $125,000 | $120,000 | **$120,000** | ($5,000) |
| BPT - Other | $30,000 | $0 | **$0** | ($30,000) |
| Local services tax | $400,000 | $450,000 | **$550,000** | $150,000 |
| Real estate transfer tax | $750,000 | $475,000 | **$495,000** | ($255,000) |
| **Other local taxes** | **$3,030,000** | **$2,705,000** | **$2,825,000** | **($205,000)** |

[3] The City ordinance authorizes a 1.50 percent transfer tax rate that is split 50:50 with the Chester Upland School District.

## General Fund Revenue Detail – Host fee and gaming revenues

Chester's largest non-tax revenues come from its hosting arrangement with Harrah's Philadelphia Racetrack and Casino. Casino host revenues are set by the Pennsylvania Race Horse Development and Gaming Act (the "Gaming Act" or "Act 71"), plus an additional consideration payment through the land lease agreement between the City and the casino.

Since 2017, Harrah's has paid the City $6 million annually for **casino host fees**, plus a monthly land lease payment equal to **2 percent of its gross terminal revenue for slots** operations. If the sum of these two payments is less than $10 million in a year – as has consistently been the case -- the City receives the difference as a reconciliation payment in the first quarter of the next year.

Harrah's also remits payment to the City under Act 71 and its land lease agreement for the operation of table games. Under the land lease agreement, the City receives **2 percent of gross table operations revenue**. Additionally, the City receives payments equal to an **additional 1 percent of table game revenue** under Act 71.

Activity-based land lease revenues have consistently underperformed projections since the pandemic. The budget anticipates a higher host fee payment in 2025 because 2024 slots revenues fell short of $10 million guaranteed minimum, which will lead to a larger reconciliation payment in Q1 2025. This guarantee does not apply to table game revenues, which will also finish lower than projected in 2024.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Casino host fee | $7,552,000 | $7,900,000 | **$7,794,000** | $242,000 |
| Land lease – slots | $2,448,000 | $2,200,000 | **$2,208,000** | ($240,000) |
| Land lease - table games (2%) | $660,000 | $576,000 | **$576,000** | ($84,000) |
| Act 71 table game revenues (1%) | $330,000 | $314,000 | **$288,000** | ($42,000) |
| **Casino revenue subtotal** | **$10,990,000** | **$10,990,000** | **$10,866,000** | **($124,000)** |

The City receives quarterly host payments from ReWorld (formerly Covanta) related to the waste-to-energy facility. Those **host payments** are based on the tonnage of waste processed at the site and the source for the waste. The total projected revenue is $5.4 million.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| ReWorld host fees | $5,000,000 | $5,200,000 | **$5,400,000** | $400,000 |

## General Fund Revenue Detail – Departmental revenues

City departments generate revenues through service charges, license and permit fees, and reimbursements. Unlike tax revenues that can be used for several purposes, departmental revenues are often tied to the cost of providing the associated service.

*Police Department*

Police Department revenues primarily come from reimbursements paid to the City when police officers provide additional coverage to specific organizations or events (police details) or when City police officers support other levels of government on overtime. The Police Department also oversees the school crossing guard program the cost for which is split 50:50 with the Chester Upland School District.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Handicap Parking Permits | $0 | $15,000 | **$15,000** | $15,000 |
| Court Fines | $60,000 | $50,000 | **$60,000** | $0 |
| Other Fines | $35,000 | $45,000 | **$45,000** | $10,000 |
| Police - Copies of Reports | $17,500 | $18,000 | **$15,000** | ($2,500) |
| Police overtime - Special detail | $0 | $35,000 | **$50,000** | $50,000 |
| Police Detail - Overtime | $10,000 | $130,000 | **$150,000** | $140,000 |
| Police Detail - Delaware County | $225,000 | $200,000 | **$200,000** | ($25,000) |
| Police Detail - Subaru Park | $35,000 | $62,000 | **$40,000** | $5,000 |
| Police - Various fees | $0 | $5,000 | **$5,000** | $5,000 |
| School Crossing Guards | $125,000 | $300,000 | **$275,000** | $150,000 |
| **Police Department subtotal** | **$507,500** | **$860,000** | **$855,000** | **$347,500** |

*Fire Department*

While the City is reimbursed by insurance companies for some departmental costs (fire cost recovery), fire department revenue has been minimal. The City anticipates increasing its inspections activity related to fire safety and generating revenue from that work.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Fire/Public safety permits | $50,000 | $0 | **$0** | ($50,000) |
| Fire/Safety Inspections | $300,000 | $2,000 | **$300,000** | $0 |
| Fire - Copies of Reports | $1,500 | $0 | **$0** | ($1,500) |
| Fire Detail - Subaru Park | $100,000 | $4,000 | **$5,000** | ($95,000) |
| Fire cost recovery | $100,000 | $70,000 | **$100,000** | $0 |
| Fire safety classes | $5,000 | $0 | **$0** | ($5,000) |
| **Fire Department subtotal** | **$556,500** | **$76,000** | **$405,000** | **($151,500)** |

*Licenses and Inspections*

The Licenses and Inspections Bureau collects revenues from contractor licenses; certificates of occupancy; and permits related to construction projects.

Permit revenues fluctuate depending on when large projects occur, and one large project in 2024 pushed building permit revenues over $1.0 million. The City has also consolidated some small items into the general contractor license line. The City has a separate enterprise fund where it records revenues related to the residential rental property inspection program.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| General Contractor Licenses | $10,000 | $50,000 | **$50,000** | $40,000 |
| Plumbing Licenses | $2,500 | $0 | **$0** | ($2,500) |
| Electric Licenses | $2,500 | $0 | **$0** | ($2,500) |
| Other Contractor Licenses | $700 | $0 | **$0** | ($700) |
| Other Licenses | $4,500 | $14,000 | **$12,000** | $7,500 |
| Apt/Home Certificates of Occupancy | $275,000 | $100,000 | **$100,000** | ($175,000) |
| Certified/Duplicate Permit | $20,000 | $10,000 | **$10,000** | ($10,000) |
| Building Permits | $500,000 | $1,200,000 | **$900,000** | $400,000 |
| Electrical Permits | $50,000 | $40,000 | **$40,000** | ($10,000) |
| Plumbing Permits | $30,000 | $60,000 | **$75,000** | $45,000 |
| Mechanical Permits | $10,000 | $25,000 | **$25,000** | $15,000 |
| Other Permits | $25,000 | $12,000 | **$10,000** | ($15,000) |
| Property Registrations | $50,000 | $50,000 | **$50,000** | $0 |
| L&I Administrative Fees | $500 | $2,000 | **$2,000** | $1,500 |
| **Licenses & Inspections subtotal** | **$980,700** | **$1,563,000** | **$1,274,000** | **$293,300** |

*Other departmental revenues*

Public Works collects permit revenues from outside organizations that do construction work affecting the Chester's streets or sidewalks, and the Parks and Recreation collects revenues from organizations that rent the Community Room in City Hall or parks facilities. Planning and Zoning and Finance also have small departmental revenues.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Community Room Rental | $25,000 | $35,000 | **$35,000** | $10,000 |
| Park Rental | $0 | $4,000 | **$0** | $0 |
| Other Rental - Parks & Recreation | $20,000 | $135,000 | **$100,000** | $80,000 |
| Recreation - Pool fees | $5,000 | $0 | **$0** | ($5,000) |
| Recreation - Program fees | $5,000 | $0 | **$0** | ($5,000) |
| Special Events | $30,000 | $0 | **$0** | ($30,000) |
| ***Parks and Recreation subtotal*** | ***$85,000*** | ***$174,000*** | ***$135,000*** | ***$50,000*** |
| Zoning & Subdivision Fees | $15,000 | $13,000 | **$7,500** | ($7,500) |
| Application Fees | $25,000 | $8,000 | **$10,000** | ($15,000) |
| Deeds | $7,500 | $0 | **$120** | ($7,380) |
| ***Planning and Zoning subtotal*** | ***$47,500*** | ***$21,000*** | ***$17,620*** | ***($29,880)*** |
| PennDOT Payment | $10,000 | $0 | $0 | ($10,000) |
| Street & Sidewalk Permits | $100,000 | $100,000 | $150,000 | $50,000 |
| ***Public Works subtotal*** | ***$110,000*** | ***$100,000*** | ***$150,000*** | ***$40,000*** |
| Certified/Duplicate tax bills | $1,000 | $0 | **$0** | ($1,000) |
| Sale of proceeds | $0 | $5,000 | **$5,000** | $5,000 |
| Redeposits/Returns | $0 | ($50,000) | **($50,000)** | ($50,000) |
| Cancel revenue | $0 | $1,000 | **$0** | $0 |
| ***Finance subtotal*** | ***$1,000*** | ***($44,000)*** | ***($45,000)*** | ***($46,000)*** |
| **Other departmental revenues** | **$243,500** | **$251,000** | **$257,620** | **$14,120** |

## General Fund Revenue Detail – Intergovernmental revenues

The 2024 budget transferred $4.7 million from the City's **American Rescue Plan Act of 2021 (ARPA) allocation** into the General Fund to support operations. Most of that amount ($3.7 million) occurred under the Act's "revenue replacement" provision that the City has used to subsidize operations since 2021. Under the terms of the Act, the City cannot use the revenue replacement provision after 2024. The City may still transfer ARPA money into the General Fund to support positions that were eliminated in the early stages of the pandemic and then restored in 2021 or positions directly related to public health. The City may also transfer interest earnings on the remaining ARPA balance into the General Fund.

*Please see the separate ARPA section for information on the City's other ARPA-funded projects.*

The second largest item in this category is **state pension aid**. The City's allocation is the product of its employee headcount and a "unit aid value" calculation based on the revenue that the Commonwealth collects from taxes on out-of-state insurance policies.

The 2024 budget anticipated **grant revenue** from the Pennsylvania Commission on Crime and Delinquency (PCCD) and the federal Staffing for Adequate Fire and Emergency Response (SAFER) program. The SAFER grant period ended in 2024, so grant revenues will be lower in 2025 than the $1.2 million projected for 2024. Most General Fund grant revenues will be recorded together in one line for 2025.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| ARPA Allocation | $4,652,000 | $4,532,000 | **$200,000** | ($4,452,000) |
| State Pension Aid | $1,912,000 | $2,145,420 | **$2,150,000** | $238,000 |
| Grant revenue | $458,000 | $1,150,000 | **$800,000** | $342,000 |
| PCCD Grant | $225,000 | $0 | **$0** | ($225,000) |
| **Intergovernmental revenues** | **$7,247,000** | **$7,827,420** | **$3,150,000** | **($4,097,000)** |

The City is pursuing several grants to fund operating expenses. The $800,000 grant target shown above includes the following items.

| Grant sponsor - Program | City Department | 2025 Amount | Description |
|---|---|---|---|
| PA PCCD - Gun Violence Reduction | Administration | $60,000[4] | Mentoring program |
| US EDA | CED | $150,000 | |
| PA DCED - Act 47 | Finance | $100,000 | Grant writing support |
| US FEMA - Assistance to Firefighters | Fire | $49,000 | Firefighter safety systems and training |
| PA PCCD - Police Recruitment | Police | $145,000 | Recruiting hiring bonus |
| **Total** | | **$504,000** | |

[4] This is part of the $225,000 grant in the 2024 budget.

## General Fund Revenue Detail – Other revenues

Prior to 2024, the City recorded all **parking related revenues** in one line. The 2025 budget separates parking revenues into three lines – a $325,000 annual payment from Widener University related to parking; parking tax revenue; and anticipated revenues from a new parking program to be launched in 2025.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Parking Revenues | $400,000 | $155,000 | **$120,000** | ($280,000) |
| Parking Fee - Widener Payment | $0 | $325,000 | **$325,000** | $325,000 |
| Parking Tax | $0 | $0 | **$200,000** | $200,000 |
| **Parking subtotal** | **$400,000** | **$480,000** | **$645,000** | **$245,000** |

In 2024, the City established two enterprise funds – a Rubbish Fund to pay for residential refuse and recycling collection and a Rental Inspection Program Fund to pay for residential rental property inspections. Since those operations are supported by staff whose compensation is paid from the General Fund, the City allocates a portion of its General Fund expenditures to those funds and recovers costs through an interfund transfer. That activity is recorded as **allocated costs.**

Since the Rubbish Fund has a deficit and requires a General Fund subsidy to sustain operations, the City will no longer collect any allocated costs from that fund. That reduces the projected allocated cost revenues to $1.1 million in 2025.

The City receives some **interest earnings** from the cash it holds in the General Fund and the ARPA fund. Since the City's cash balance will likely not be as high in 2025 (e.g. smaller cash flow loan, lower ARPA fund balance), projected interest income will be lower in 2025.

| Source | 2024 Budget | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Allocated cost | $1,601,500 | $600,000 | **$1,100,000** | ($501,500) |
| Interest Income | $700,000 | $700,000 | **$400,000** | ($300,000) |
| Cable Television Franchise Fees | $365,000 | $275,000 | **$250,000** | ($115,000) |
| PILOT Payment | $275,000 | $275,000 | **$275,000** | $0 |
| Cell Tower Lease | $60,000 | $70,000 | **$60,000** | $0 |
| Miscellaneous Revenues | $250,000 | $18,000 | **$10,000** | ($240,000) |
| Public Utility Realty Tax (PURTA) | $25,000 | $35,000 | **$33,800** | $8,800 |
| Pension adjustment | $2,000 | $2,000 | **$2,000** | $0 |
| **Other revenues** | **$3,278,500** | **$1,975,000** | **$2,130,800** | **($1,147,700)** |

## General Fund Revenue Detail – Summary

Like many other Pennsylvania local governments, the City of Chester borrows cash to fund operations for the first few months of the year. Most Pennsylvania governments receive a Tax Revenue Anticipation Note (TRAN) from a local bank in January and use that money to meet payroll, pay vendors, and meet other obligations during the first quarter. After tax revenues start to arrive on their normal collection cycle, the government repays the TRAN with interest before the year ends.

Since it would be difficult for the City to secure a Tax Revenue Anticipation Note (TRAN) from a bank, the Commonwealth of Pennsylvania has provided one in the form of a zero-interest emergency loan. Last year, the Commonwealth loaned the City $5 million, which the City is repaying as scheduled. For 2025, the Commonwealth loan will be $2 million. That TRAN completes the $62.7 million revenue budget for 2025.

| Source | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|
| *Current year tax revenue - City* | *$7,895,000* | *$7,700,000* | *($195,000)* |
| *Prior year tax revenue* | *$1,670,000* | *$1,875,000* | *$205,000* |
| **Real Estate Tax - City** | **$9,565,000** | **$9,575,000** | **$10,000** |
| **Real Estate Tax - Library** | **$340,000** | **$342,000** | **$2,000** |
| *General Fund EIT* | *$14,100,000* | *$13,950,000* | *($150,000)* |
| *Distressed pension EIT* | *$8,666,000* | *$9,074,000* | *$408,000* |
| **Earned income tax** | **$22,766,000** | **$23,024,000** | **$258,000** |
| *Business privilege tax* | *$1,780,000* | *$1,780,000* | *$0* |
| *Local services tax* | *$450,000* | *$550,000* | *$100,000* |
| *Real estate transfer tax* | *$475,000* | *$495,000* | *$20,000* |
| **Other local taxes** | **$2,705,000** | **$2,825,000** | **$120,000** |
| **Casino revenues** | **$10,990,000** | **$10,866,000** | **($124,000)** |
| **ReWorld host fees** | **$5,200,000** | **$5,400,000** | **$200,000** |
| *Police Department* | *$860,000* | *$855,000* | *($5,000)* |
| *Fire Department* | *$76,000* | *$405,000* | *$329,000* |
| *Licenses and Inspections* | *$1,563,000* | *$1,274,000* | *($287,000)* |
| *Other departments* | *$251,000* | *$257,620* | *$6,620* |
| **Departmental revenues** | **$2,750,000** | **$2,791,620** | **$43,620** |

| Source | 2024 Projected | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|
| *ARPA allocation* | *$4,532,000* | *$200,000* | *($4,332,000)* |
| *State pension aid* | *$2,145,420* | *$2,150,000* | *$4,580* |
| *Grants* | *$1,150,000* | *$800,000* | *($350,000)* |
| **Intergovernmental revenues** | **$7,827,420** | **$3,150,000** | **($4,677,420)** |
| **Parking revenues** | **$480,000** | **$645,000** | **$165,000** |
| *Allocated cost* | *$600,000* | *$1,100,000* | *$500,000* |
| *Interest Income* | *$700,000* | *$400,000* | *($300,000)* |
| *Other revenues* | *$675,000* | *$630,800* | *($44,200)* |
| **Other revenues** | **$1,975,000** | **$2,130,800** | **$155,800** |
| **TRAN (Cash flow loan)** | **$5,000,000** | **$2,000,000** | **($3,000,000)** |
| **Total** | **$69,598,420** | **$62,749,420** | **($6,847,000)** |

## General Fund Expenditures Summary

The 2025 General Fund expenditure budget is $62.7 million with more than three quarters of the amount allocated to personnel. Cash compensation (mostly salaries and wages) accounts for almost a third of the budget ($19.7 million) while employee health insurance and the City's pension contributions account for nearly another 40 percent.

The City allocates $11.5 million for **employee health insurance costs** including medical, prescription drug, dental, and vision insurance. A large portion of health insurance budget is used to provide coverage for retired employees.

Please note that the City is now recording all employee health insurance expenditures within the Citywide Benefits section of the budget. The City will eventually work toward distributing these expenditures to show the true, full cost of its operations, but is simplifying the accounting in the 2025 budget.

The budget allocates $13.3 million to the three **employee pension plans,** most of which will go toward the police pension plan ($7.3 million for the 2025 MMO plus an additional $2.5 million contribution to satisfy requirements of Act 511). The City expects to contribute $3.3 million to the fire pension plan and $0.2 million to the plan for non-uniformed employees.

| | 2025 Budget ($ millions) | % of total |
|---|---|---|
| Salaries and wages | $16.8 | 26.8% |
| Other cash compensation | $2.9 | 4.6% |
| Health insurance | $11.5 | 18.4% |
| Pension | $13.3 | 21.2% |
| FICA | $1.1 | 1.7% |
| Workers' compensation | $2.3 | 3.6% |
| Other benefits | $0.3 | 0.4% |
| **Total personnel** | **$48.1** | **76.7%** |
| Contracts and professional services | $6.2 | 9.8% |
| Insurance | $2.0 | 3.2% |
| Debt | $2.2 | 3.5% |
| Interfund transfers | $0.9 | 1.4% |
| Utilities | $0.5 | 0.8% |
| Equipment and software | $0.4 | 0.7% |
| Materials and supplies | $0.3 | 0.4% |
| Other operating | $2.1 | 3.4% |
| **Total non-personnel** | **$14.6** | **23.3%** |
| **2025 General Fund Budget** | **$62.7** | **100.0%** |

The $13.3 million contribution would be even higher if the budget accounted for the $43.3 million in outstanding prior year contributions to the three plans that were due as of December 31, 2023.[1]

The largest expenditure category outside of personnel is **contracts and professional services**. The majority of these costs ($3.9 million) are for legal fees, some of which is associated with the City's bankruptcy proceedings. Other professional services include outsourced operations like parking ($200,000), crossing guards ($521,000), and engineering services ($100,000). The City also spends $3.5 million from a separate fund on its contract for residential refuse and recycling collection, tipping fees, and other refuse-related costs.

The 2025 General Fund budget allocates $0.9 million for **interfund transfers** to the Rubbish, Library, and Special Event funds. The remaining $2.1 million covers all **other operating costs** ranging from building repair and maintenance costs to employee training and travel costs. This line also includes the City's $330,000 contribution to Delaware County Community College.

[1] For several years, the City did not make its annual required contributions to its employee pension plans. In January 2020, the City was delinquent on its 2019 contribution to the Firemen's pension plan; its 2019 contribution to the Officers and Employees (O&E) Pension Plan; and its 2015-2019 contributions to the Police Pension Plan. The City must pay those outstanding contributions, along with any associated interest that grows every year it remains unpaid. While the City has made its full budgeted contribution to the pension plans since 2021, those contributions were not large enough to pay off the prior year amounts, the associated interest costs, and the current year requirements. Entering 2025, the City will owe its contributions for 2023 and 2024 to the Firemen's pension plan; its 2022-2024 contribution to the O&E plan; and its 2020-2024 contributions to the Police plan.

***Staffing levels***

As described in the Revenue section, the City will have less General Fund revenue to spend in 2025, and therefore it needed to reduce expenditures to sustain operations. Those reductions primarily take the form of eliminating 36.1 full-time equivalent (FTE) positions that were vacant in 2024.

The table below shows the number of FTEs in the 2024 adopted budget, the amount filled as of October 2024, and amount budgeted for 2025. If the City can fully staff to the levels shown in the 2025 budget, the City would have *more* active positions relative to October 2024.

Many of the apparent changes in the 2025 budget reflect positions transferred from one department to another (for example, transferring Laborers from Sanitation to Transportation/Highway). The 2025 budget makes very limited additions, other than the Summer Food Coordinator in Facilities and Communications Manager in the Mayor's Office.

**2024 budget[2] versus 2025 budget staffing levels, full-time equivalents (FTEs)**

| Department | 2024 Budget | Oct. 24 | 2025 Budget | *24-25 budget* | *Oct. 24 to 25 budget* |
|---|---|---|---|---|---|
| City Council, Mayor, & Administration | 14.8 | 9.0 | 8.5 | *(6.3)* | *(0.5)* |
| City Clerk | 1.5 | 1.5 | 2.0 | *0.5* | *0.5* |
| Controller | 2.0 | 1.0 | 1.0 | *(1.0)* | *0.0* |
| Legal | 3.5 | 2.5 | 2.5 | *(1.0)* | *0.0* |
| Finance | 14.0 | 11.0 | 15.5 | *1.5* | *4.5* |
| Human Resources | 5.0 | 2.0 | 4.0 | *(1.0)* | *2.0* |
| Information Technology | 1.5 | 2.0 | 2.5 | *1.0* | *0.5* |
| Public Works – Administration | 3.0 | 3.0 | 3.0 | *0.0* | *0.0* |
| Public Works – Engineering | 2.0 | 1.0 | 1.0 | *(1.0)* | *0.0* |
| Public Works - Transportation/Highways | 16.0 | 16.0 | 20.0 | *4.0* | *4.0* |
| Public Works – Sanitation | 8.0 | 8.0 | 5.0 | *(3.0)* | *(3.0)* |
| Parks – Facilities | 4.0 | 5.0 | 6.0 | *2.0* | *1.0* |
| Parks - Parks and Recreation | 8.0 | 7.0 | 8.0 | *0.0* | *1.0* |
| Police | 98.0 | 66.0 | 74.25 | *(23.8)* | *8.3* |
| Fire | 67.0 | 62.0 | 63.0 | *(4.0)* | *1.0* |
| Licenses & Inspections | 20.5 | 12.0 | 17.5 | *(3.0)* | *5.5* |
| Planning | 4.0 | 3.0 | 3.5 | *(0.5)* | *0.5* |
| Public Health | 1.5 | 2.5 | 1.0 | *(0.5)* | *(1.5)* |
| **Total** | **274.3** | **214.5** | **238.3** | ***(36.1)*** | ***23.8*** |

The rest of this section describes the departmental budgets supported by the General Fund. A separate section describes the expenditures outside the General Fund. There are no positions funded outside the General Fund.

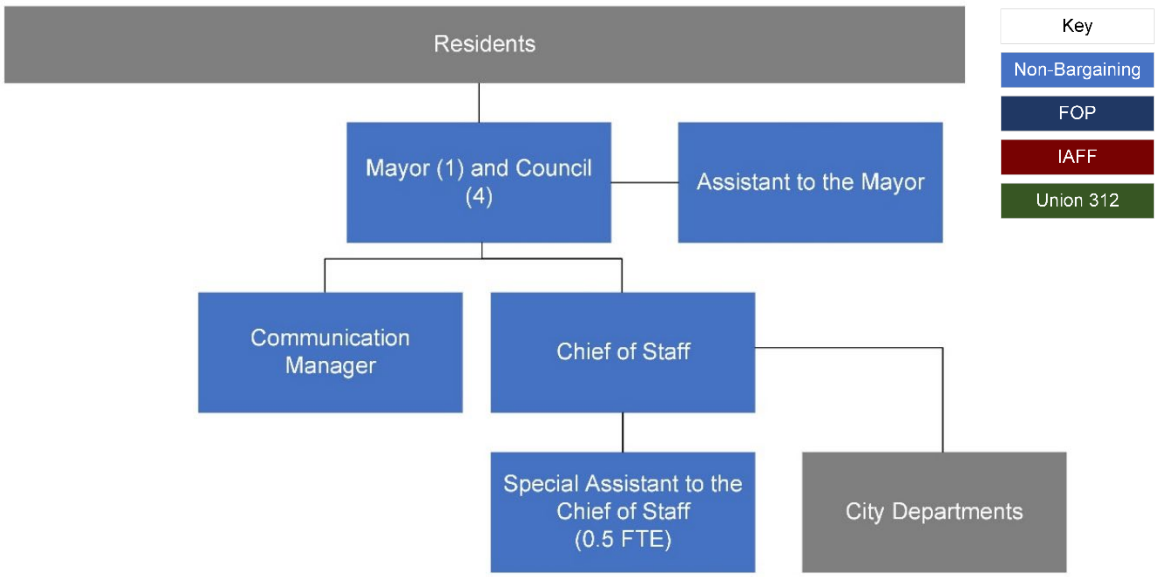
[2] Budgeted headcount and dollar amounts for 2024 in this section of the budget document reference the 2024 Adopted Budget as of December 2023. Changes made during the budget amendment process are not reflected.

## Mayor, Council, & Administration

The Mayor is the elected head of City government, a member of the five-person City Council, and the head of that legislative body. In addition to the Mayor, City Council has four members supported by the City Clerk's Office, which is budgeted separately.

During the 2021 budget process, the City established the position of Chief Operating Officer (COO), whose responsibility is the proper and efficient administration and operation of City government and to whom all City employees (except elected officials) report. The Receiver's 2022 Amended Recovery Plan made the COO position permanent and conveyed to the COO the powers and duties assigned to the Chief of Staff position in the City's Administrative Code. The COO oversees eight department heads and reports jointly to the Mayor and Receiver.

Several vacant positions budgeted in 2024 will be eliminated in 2025, including workforce and mentoring positions, the Building Compliance Monitor, and the Community Outreach Coordinator. Grants management will move into the Finance Department. The City will add a Communication Manager in 2025.




| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Mayor | 1.0 | 1.0 | 1.0 | $65,000 | $65,000 | $0 |
| Assistant to the Mayor | 1.0 | 1.0 | 1.0 | $75,593 | $77,861 | $2,268 |
| Communication Manager | 0.0 | 0.0 | 1.0 | $0 | $70,555 | $70,555 |
| Councilmember | 4.0 | 4.0 | 4.0 | $210,000 | $210,000 | $0 |
| Chief of Staff/Chief Operating Officer | 1.0 | 1.0 | 1.0 | $164,440 | $170,000 | $5,560 |
| Special Assistant to the Chief of Staff[3] | 1.0 | 1.0 | 0.5 | $54,636 | $28,138 | ($26,498) |
| Workforce Service Representative | 1.0 | 0.0 | 0.0 | $42,025 | $0 | ($42,025) |
| Mentoring Program Coordinator | 1.0 | 0.0 | 0.0 | $51,719 | $0 | ($51,719) |
| Mentoring Case Manager | 0.8 | 0.0 | 0.0 | $43,705 | $0 | ($43,705) |
| Associate Program Manager | 1.0 | 0.0 | 0.0 | $78,538 | $0 | ($78,538) |
| Building Compliance Monitor | 1.0 | 0.0 | 0.0 | $38,517 | $0 | ($38,517) |

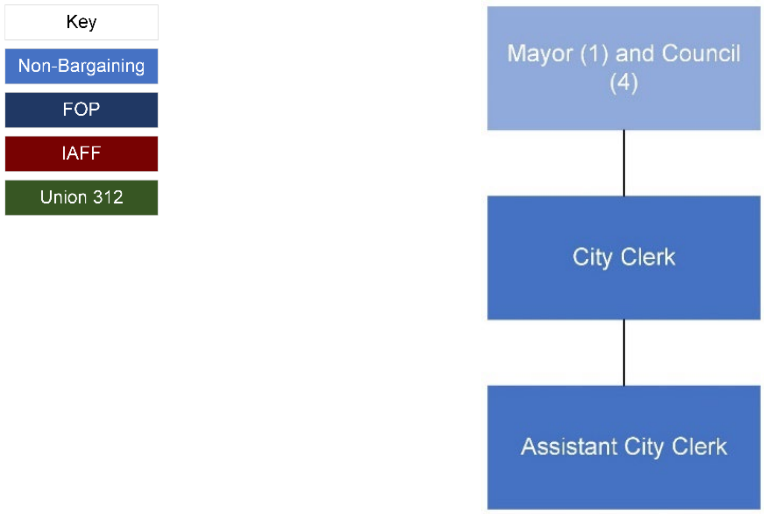
[3] This position will be shared between the Chief of Staff and Legal in 2025.

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Community Outreach Coordinator | 1.0 | 0.0 | 0.0 | $39,784 | $0 | ($39,784) |
| Grant Coordinator | 1.0 | 1.0 | 0.0 | $58,300 | $0 | ($58,300) |
| **Salaries and wages** | **14.8** | **9.0** | **8.5** | **$922,257** | **$621,553** | **($300,704)** |
| Office Supplies | | | | $1,000 | $3,600 | $2,600 |
| Community Outreach | | | | $2,500 | $11,000 | $8,500 |
| Public Relations | | | | $10,000 | $0 | ($10,000) |
| Mileage / Travel | | | | $2,500 | $2,400 | ($100) |
| Dues | | | | $25,300 | $20,000 | ($5,300) |
| Housing Initiative | | | | $0 | $50,000 | $50,000 |
| Training/Conferences | | | | $5,000 | $4,800 | ($200) |
| DCCC Subsidy | | | | $330,000 | $330,000 | $0 |
| CEDA Grant | | | | $10,000 | $0 | ($10,000) |
| Professional Fees | | | | $8,000 | $0 | ($8,000) |
| Contingency | | | | $25,000 | $0 | ($25,000) |
| **Total non-personnel** | | | | **$419,300** | **$421,800** | **$2,500** |
| **Total City Council, Mayor, & Administration** | | | | **$1,341,557** | **$1,043,353** | **($298,204)** |

## City Clerk

The City Clerk reports to the Mayor and City Council. She keeps minutes and records of Council meeting proceedings and maintains and compiles ordinances and resolutions. Most of this department's costs are associated with the salaries and wages of the Clerk and Assistant Clerk. Non-personnel costs are primarily advertising costs to post Council meeting notices.

In 2025, the Legal & City Clerk Aid position which was split with the Legal Department in 2024 will become an Assistant City Clerk position entirely under the City Clerk department.

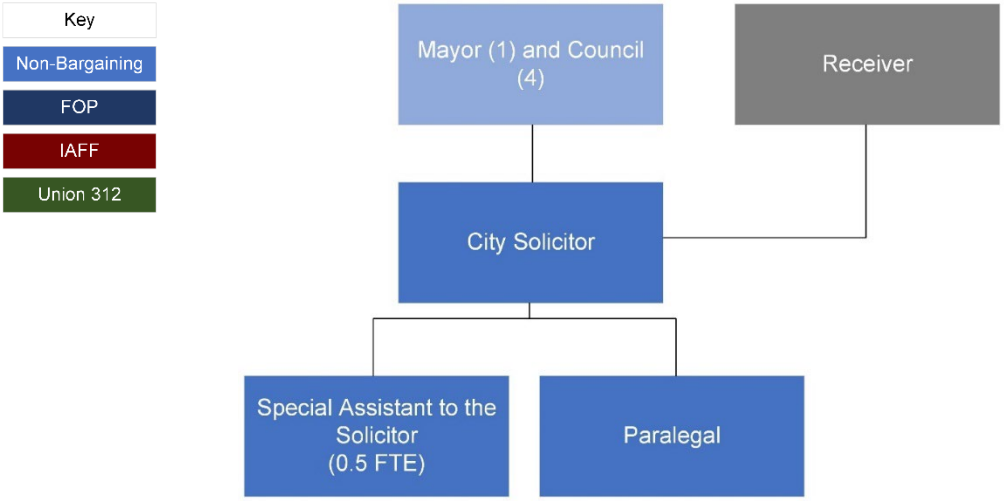



| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| City Clerk | 1.0 | 1.0 | 1.0 | $61,903 | $74,675 | $12,772 |
| Assistant City Clerk | 0.0 | 0.0 | 1.0 | $0 | $72,518 | $72,518 |
| Legal & City Clerk Aid | 0.5 | 0.5 | 0.0 | $35,203 | $0 | ($35,203) |
| **Salaries and wages** | **1.5** | **1.5** | **2.0** | **$97,106** | **$147,193** | **$50,087** |
| Office Supplies | | | | $0 | $480 | $480 |
| Travel | | | | $0 | $240 | $240 |
| Dues | | | | $0 | $360 | $360 |
| Training/Conferences | | | | $0 | $360 | $360 |
| Advertising | | | | $15,000 | $15,000 | $0 |
| Miscellaneous | | | | $0 | $480 | $480 |
| **Total Non-personnel** | | | | **$15,000** | **$16,920** | **$1,920** |
| **Total City Clerk** | | | | **$112,106** | **$164,113** | **$52,007** |

## Legal

The City Solicitor's Office handles legal matters for City government and includes the Solicitor, Paralegal, and half of the Special Assistant's time (shared with Chief of Staff's office). The City also uses outside counsel for specialized areas. Much of this department's non-personnel spending is concentrated in contracted legal services, most of which are associated with the City's bankruptcy proceedings. This category also includes settlement costs previously budgeted under the Finance department.

In 2025, the City will eliminate the vacant Assistant Solicitor position and stop sharing the Legal & City Clerk Aid with the City Clerk Department. Legal will share a Special Assistant position with the Chief of Staff's office.




| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| City Solicitor | 1.0 | 1.0 | 1.0 | $90,918 | $93,131 | $2,213 |
| Paralegal | 1.0 | 1.0 | 1.0 | $72,654 | $74,834 | $2,180 |
| Special Assistant to the Solicitor[4] | 0.0 | 0.0 | 0.5 | $0 | $28,138 | $28,138 |
| Assistant Solicitor | 1.0 | 0.0 | 0.0 | $93,959 | $0 | ($93,959) |
| Legal & City Clerk Aid | 0.5 | 0.5 | 0.0 | $35,203 | $0 | ($35,203) |
| **Salaries and wages** | **3.5** | **2.5** | **2.5** | **$292,734** | **$196,102** | **($96,632)** |
| Office Supplies | | | | $500 | $480 | ($20) |
| Professional Services - Legal | | | | $4,800,000 | $3,900,000 | ($900,000) |
| Travel | | | | $250 | $240 | ($10) |
| Dues | | | | $7,000 | $9,000 | $2,000 |
| Miscellaneous | | | | $500 | $480 | ($20) |
| Training/Conferences | | | | $2,500 | $480 | ($2,020) |
| Professional Services - Assessments | | | | $0 | $4,800 | $4,800 |
| **Total Non-personnel** | | | | **$4,810,750** | **$3,915,480** | **($895,270)** |
| **Total Legal** | | | | **$5,103,484** | **$4,111,582** | **($991,902)** |

[4] This position will be shared between the Chief of Staff and Legal in 2025.

## Finance

The Finance Department is responsible for financial management across City government, including:

- Accounting, budgeting, and financial reporting;
- Managing the City's real estate tax and residential refuse billing and collection process;
- Collecting other major taxes and revenues through City staff or external collectors;
- Capital budgeting and fixed asset accounting;
- Bank account management, cash management, risk management, and debt management; and
- Purchasing, procurement, and payroll.

The Department is headed by a Chief Financial Officer (CFO) who is supported by the City Treasurer, Grant Coordinator, four accountants, and other administrative support. The 2025 department roster includes a temporary Façade Coordinator and Special Projects Manager, which was added partway through 2024. The Grant Coordinator position was transferred to Finance from the Chief of Staff's Office.

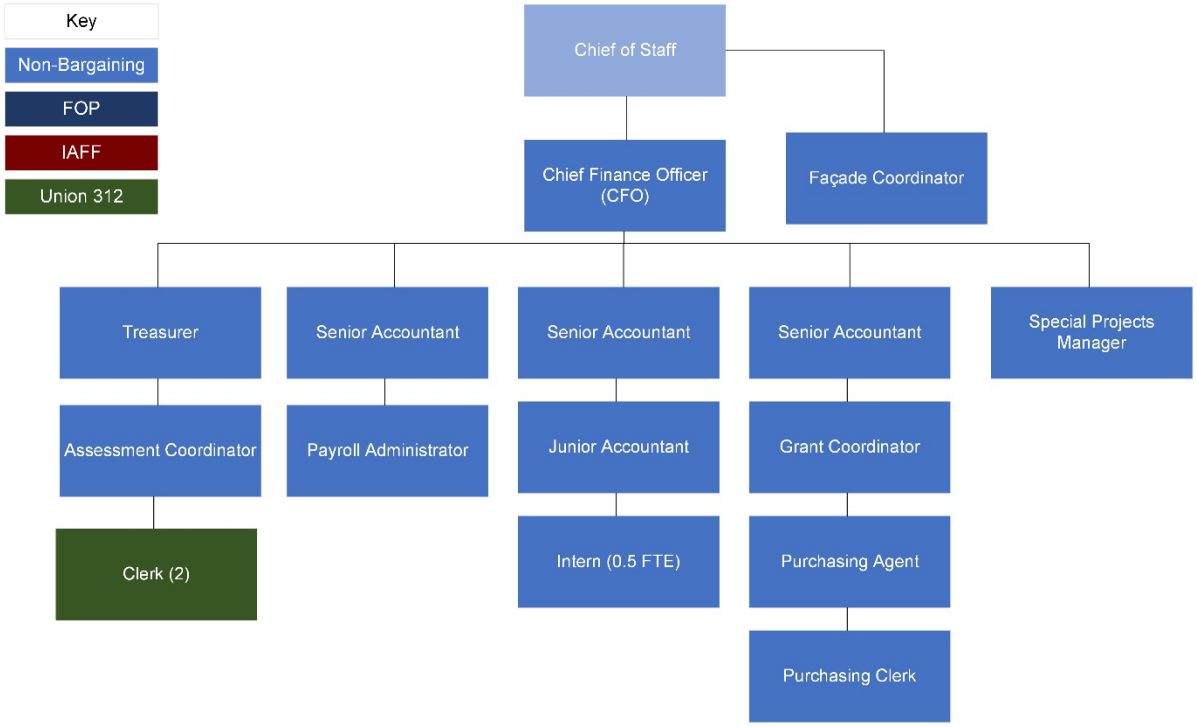
The 2024 budget erroneously omitted budgeted salary for the Payroll Administrator and included wages for two additional Clerks that were not part of the 2024 headcount. The 2025 budget corrects for this oversight. To offset the costs of these additional positions, the City will eliminate two of five clerical positions, including the Office Manager and one Clerk. The City shifted the Office Manager position to Parks and Recreation during 2024.

The Department contracts with outside professionals for its annual audits, grant writing support[5], payroll processing, and property assessment support. The Department has developed more internal accounting capacity and no longer needs external support in that area. In 2024, the City contracted out some of its Accounts Payable support and will continue doing so in 2025. The City also made the final payment for its new financial management software in 2024, so that item drops to $0 for 2025.

City Finance administers the City's general liability insurance program that includes auto and property insurance. The City will record these payments in more detail to improve transparency and accuracy. Across those lines, including the City's payment to its insurance broker, the City's spending will be $1.8 million in the 2025 budget.

Finally, the City has shifted some expenditures out of this department. The City's spending on copiers, financial software maintenance, and internet charges has moved to the Information Technology (IT) department and budgeted costs for legal settlements moved to the Legal department's budget.

[5] The Commonwealth is providing grant support for this function in 2025.

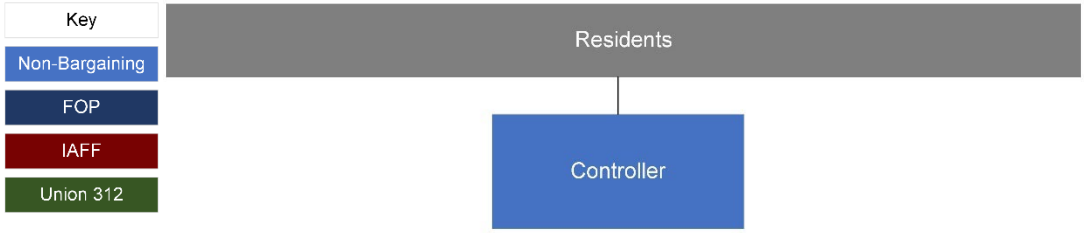



| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Chief Financial Officer | 1.0 | 1.0 | 1.0 | $142,000 | $142,000 | $0 |
| Senior Accountant | 3.0 | 3.0 | 3.0 | $276,000 | $287,280 | $11,280 |
| Junior Accountant | 1.0 | 0.0 | 1.0 | $84,975 | $73,000 | ($11,975) |
| Grant Coordinator | 0.0 | 0.0 | 1.0 | $0 | $60,471 | $60,471 |
| Payroll Administrator | 1.0 | 0.0 | 1.0 | $0 | $60,471 | $60,471 |
| Special Projects Manager | 0.0 | 1.0 | 1.0 | $0 | $72,100 | $72,100 |
| Façade Coordinator | 0.0 | 1.0 | 1.0 | $0 | $72,102 | $72,102 |
| Treasurer | 1.0 | 1.0 | 1.0 | $70,000 | $75,000 | $5,000 |
| Assessment Coordinator | 1.0 | 1.0 | 1.0 | $57,346 | $60,071 | $2,725 |
| Clerk | 3.0 | 2.0 | 2.0 | $178,913 | $60,215 | ($118,698) |
| Purchasing Agent | 1.0 | 0.0 | 1.0 | $70,000 | $54,075 | ($15,925) |
| Purchasing Clerk | 1.0 | 1.0 | 1.0 | $47,741 | $49,173 | $1,432 |
| Intern | Hourly | Hourly | 0.5 | $7,000 | $19,760 | $12,760 |
| Office Manager | 1.0 | 0.0 | 0.0 | $52,304 | $0 | ($52,304) |
| **Salaries and wages** | **14.0** | **11.0** | **15.5** | **$986,279** | **$1,085,719** | **$99,440** |
| Overtime | | | | $0 | $7,725 | $7,725 |
| **Other cash compensation** | | | | **$0** | **$7,725** | **$7,725** |
| Office Supplies | | | | $25,200 | $4,800 | ($20,400) |
| Professional Services - Purchasing | | | | $0 | $90,000 | $90,000 |
| Professional Services - Audit Fees | | | | $220,000 | $110,000 | ($110,000) |
| Professional Services - Payroll Processing | | | | $40,000 | $50,000 | $10,000 |
| Professional Services - Actuary | | | | $10,000 | $10,000 | $0 |
| Professional Services - Accounting | | | | $25,000 | $0 | ($25,000) |

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Collection Fees | | | | $40,000 | $0 | ($40,000) |
| Grant Management | | | | $25,000 | $100,000 | $75,000 |
| Assessor Consultant | | | | $15,000 | $5,000 | ($10,000) |
| Financial Software | | | | $35,000 | $0 | ($35,000) |
| Copiers/Equipment Leases | | | | $75,000 | $0 | ($75,000) |
| Postage | | | | $32,000 | $18,000 | ($14,000) |
| Travel | | | | $500 | $0 | ($500) |
| Bonding | | | | $1,000 | $1,200 | $200 |
| Repairs & Maintenance | | | | $2,000 | $0 | ($2,000) |
| Bank Fees | | | | $5,000 | $1,200 | ($3,800) |
| Dues | | | | $1,200 | $0 | ($1,200) |
| Miscellaneous | | | | $75,000 | $480 | ($74,520) |
| Training/Conferences | | | | $3,000 | $7,500 | $4,500 |
| Liability Insurance | | | | $0 | $657,000 | $657,000 |
| Vehicle Insurance | | | | $0 | $765,000 | $765,000 |
| Public Officials Liability | | | | $0 | $234,900 | $234,900 |
| Misc. Fees | | | | $0 | $62,618 | $62,618 |
| P&L Insurance | | | | $1,041,761 | $154,867 | ($886,894) |
| Marine Insurance | | | | $12,604 | $14,000 | $1,396 |
| Insurance Claims | | | | $250,000 | $0 | ($250,000) |
| Insurance Broker Fees | | | | $200,000 | $200,000 | $0 |
| Other insurances | | | | $5,685 | $0 | ($5,685) |
| **Total non-personnel** | | | | **$2,139,950** | **$2,486,565** | **$346,615** |
| **Total Finance budget** | | | | **$3,126,229** | **$3,580,009** | **$453,780** |

## Controller

According to Chester's Home Rule Charter, the City Controller approves all disbursements, contracts, and purchase orders. The City Controller may also conduct financial and operational audits of City operations. The City has eliminated the second position (Deputy Controller) that was vacant throughout 2024.



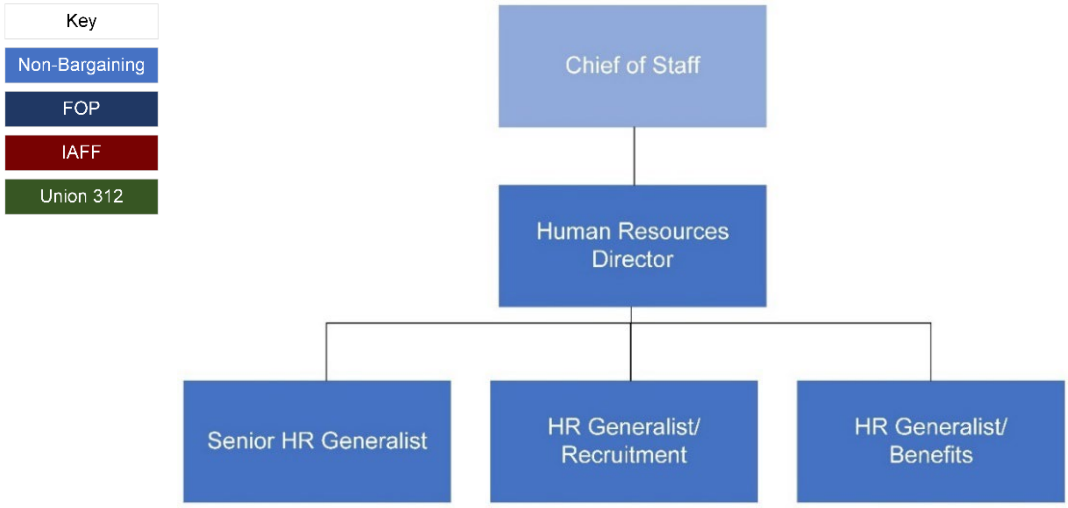

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Controller[6] | 1.0 | 1.0 | 1.0 | $60,000 | $50,000 | ($10,000) |
| Deputy Controller | 1.0 | 0.0 | 0.0 | $67,500 | $0 | ($67,500) |
| **Salaries and wages** | **2.0** | **1.0** | **1.0** | **$127,500** | **$50,000** | **($77,500)** |
| Materials And Supplies | | | | $0 | $3,000 | $3,000 |
| Office Supplies | | | | $500 | $480 | ($20) |
| Travel | | | | $0 | $0 | $0 |
| Dues | | | | $0 | $0 | $0 |
| Training/Conferences | | | | $500 | $480 | ($20) |
| Miscellaneous | | | | $250 | $240 | ($10) |
| **Total Non-personnel** | | | | **$1,250** | **$4,200** | **$2,950** |
| **Total Controller** | | | | **$128,750** | **$54,200** | **($74,550)** |

[6] The apparent salary decrease in 2025 reflects a correction to the 2024 adopted budget.

## Human Resources

The Human Resources department is responsible for recruitment, hiring, benefits administration, labor relations, collective bargaining agreement administration and other related functions for the City's workforce. The Department is headed by a Director who is supported by three HR Generalists in 2025.

In 2025, the Department will eliminate vacant intern and Office Manager positions. The 2024 budget erroneously omitted the allocation for the Senior HR Generalist – the 2025 budget corrects this oversight.



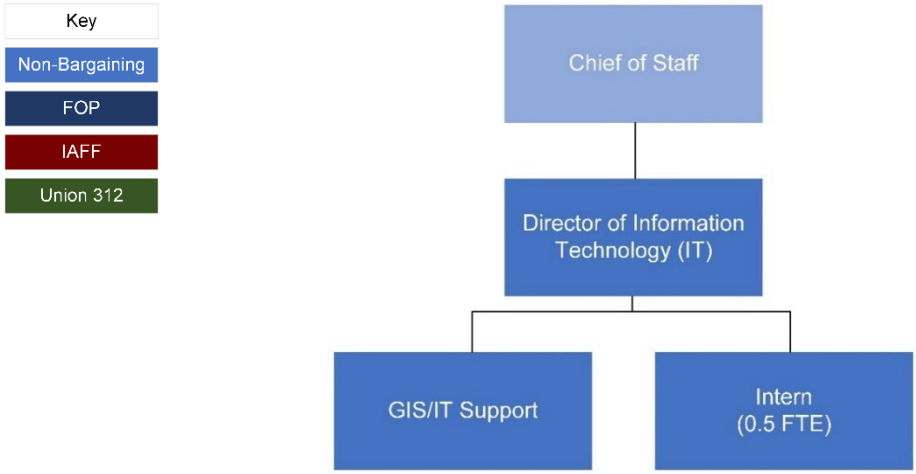

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Human Resources Director | 1.0 | 0.0 | 1.0 | $115,700 | $110,000 | ($5,700) |
| Senior HR Generalist | 1.0 | 1.0 | 1.0 | $0 | $76,735 | $76,735 |
| HR Generalist/Recruitment | 1.0 | 1.0 | 1.0 | $59,045 | $63,860 | $4,815 |
| HR Generalist/Benefits | 1.0 | 0.0 | 1.0 | $59,045 | $54,637 | ($4,408) |
| Office Manager | 1.0 | 0.0 | 0.0 | $52,304 | $0 | ($52,304) |
| Interns | Hourly | 0.0 | 0.0 | $33,000 | $0 | ($33,000) |
| **Salaries and wages** | **5.0** | **2.0** | **4.0** | **$319,094** | **$305,232** | **($13,862)** |
| Office Supplies | | | | $2,500 | $3,000 | $500 |
| Professional Services | | | | $9,625 | $0 | ($9,625) |
| Postage | | | | $750 | $780 | $30 |
| Travel | | | | $1,200 | $2,400 | $1,200 |
| Dues | | | | $1,000 | $1,200 | $200 |
| Training/Conferences | | | | $4,000 | $3,600 | ($400) |
| Contract Services | | | | $9,936 | $9,600 | ($336) |
| Employee Testing | | | | $48,200 | $30,000 | ($18,200) |
| Promotion Testing | | | | $0 | $12,000 | $12,000 |
| Employee Tuition | | | | $19,200 | $19,200 | $0 |
| Employee Outreach | | | | $0 | $12,000 | $12,000 |
| Miscellaneous | | | | $10,000 | $480 | ($9,520) |
| **Total Non-personnel** | | | | **$106,411** | **$94,260** | **($12,151)** |
| **Total Human Resources** | | | | **$425,505** | **$399,492** | **($26,013)** |

## Information Technology

The City records costs associated with citywide information technology ("IT") in this cost center. Beginning in 2023, the City insourced some technology services by hiring an IT Specialist to provide support onsite. In 2025, the division is budgeted to have two full-time employees (Director and GIS/IT Support personnel) and a part-time intern.

The City also uses an external service contract for additional capacity and support. Much of the non-personnel costs in this department are associated with software purchases and/or licensing, including Edmunds, the City's financial software. The City was able to inventory and refine its list of immediate software needs during 2025 and has reduced the budget allocation from $850,000 in 2024 to $297,000 for 2025.

In 2025, some costs that were previously spread throughout City departments are consolidated in IT below. Examples include internet, software, and equipment lease (copiers) costs.



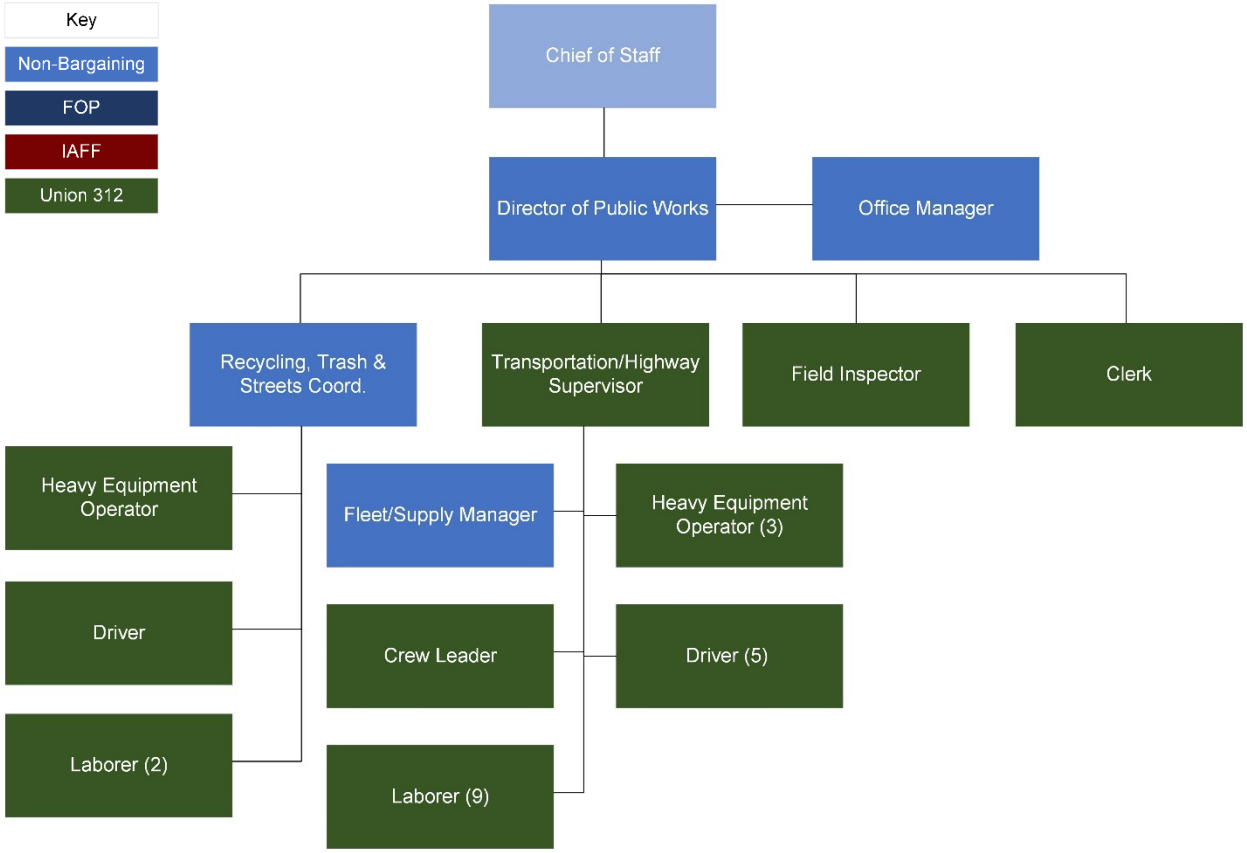

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Director of Information Technology | 1.0 | 1.0 | 1.0 | $80,000 | $88,055 | $8,055 |
| GIS/IT Support | 0.5 | 1.0 | 1.0 | $41,000 | $59,954 | $18,954 |
| Intern | 0.0 | 0.0 | 0.5 | $0 | $19,760 | $19,760 |
| **Salaries and wages** | **1.5** | **2.0** | **2.5** | **$121,000** | **$167,769** | **$46,769** |
| Office Supplies | | | | $500 | $480 | ($20) |
| Equipment Leases | | | | $5,000 | $48,000 | $43,000 |
| Travel | | | | $250 | $240 | ($10) |
| Dues | | | | $250 | $240 | ($10) |
| Training/Conferences | | | | $500 | $2,400 | $1,900 |
| Employee Training | | | | $2,500 | $2,400 | ($100) |
| IT Consultant | | | | $280,000 | $100,000 | ($180,000) |
| Contract Services | | | | $250,000 | $60,000 | ($190,000) |
| Miscellaneous | | | | $2,500 | $1,680 | ($820) |
| Small Items/Equipment | | | | $50,000 | $12,000 | ($38,000) |
| Equipment, Repairs, and Upgrades | | | | $350,000 | $0 | ($350,000) |
| Software: | | | | $500,000 | *Itemized below:* | |
| Edmunds | | | | $150,000 | $65,500 | ($84,500) |

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Web Hosting | | | | $0 | $48,000 | $48,000 |
| Planit - Police | | | | $0 | $5,000 | $5,000 |
| Planit - Fire | | | | $0 | $5,000 | $5,000 |
| Camera License | | | | $0 | $2,000 | $2,000 |
| Adobe Pro | | | | $0 | $6,000 | $6,000 |
| Filemaker | | | | $0 | $3,000 | $3,000 |
| Visio | | | | $0 | $500 | $500 |
| Tracer | | | | $0 | $24,000 | $24,000 |
| ESO for fire | | | | $0 | $15,000 | $15,000 |
| Microsoft Licenses 2025-26 | | | | $167,000 | $19,000 | ($148,000) |
| Autocad Lt (1 License) | | | | $0 | $500 | $500 |
| Esri Gis Subscription (3 Licenses) | | | | $0 | $30,000 | $30,000 |
| Tolemi | | | | $0 | $18,000 | $18,000 |
| Admin Time and Attendance | | | | $0 | $5,000 | $5,000 |
| Cyber Contingency | | | | $0 | $50,000 | $50,000 |
| Internet Service | | | | $15,000 | $110,000 | $95,000 |
| Telephone and Security Contracts | | | | $150,000 | $0 | ($150,000) |
| **Total non-personnel** | | | | **$1,923,500** | **$633,940** | **($1,289,560)** |
| **Total Information Technology** | | | | **$2,044,500** | **$801,709** | **($1,242,791)** |

## Public Works

The Department of Public Works is responsible for maintaining City-owned streets, bridges, traffic lights and streetlights[7]; managing the residential refuse and recycling collection program[8]; maintaining the City's vehicles and equipment, primarily through external service providers; collecting refuse from public spaces and responding to illegal dumping; and engineering and capital project execution. The Facility Division within the Department of Parks Recreation is responsible for maintaining the City's parks and government buildings.

The Department is divided into four divisions: Administration, Engineering, Transportation/Highway, and Sanitation.




The 2025 budget transfers positions between the Public Works and Parks and Recreation departments. Overall, the City increased staffing across the departments by 4.0 FTE. The City added a Driver, Summer Food Coordinator (0.5), Service Representative, two Directors, and an Office Manager while eliminating the Fleet and Building Maintenance Supervisor and reducing the Recreation Manager to part time (0.5).

[7] Please see the section on the City's Liquid Fuels Fund for more information on these activities.
[8] Please see the section on the City's Rubbish enterprise fund for more information on these activities.

## Administration

The Administration Division includes the Director of Public Works, who oversees all department activities, and two support staff.

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Director of Public Works | 1.0 | 1.0 | 1.0 | $104,994 | $108,144 | $3,150 |
| Office Manager | 1.0 | 1.0 | 1.0 | $52,304 | $53,873 | $1,569 |
| Clerk | 1.0 | 1.0 | 1.0 | $37,209 | $42,138 | $4,929 |
| **Salaries and wages** | **3.0** | **3.0** | **3.0** | **$194,507** | **$204,155** | **$9,648** |
| Office Supplies | | | | $1,000 | $960 | ($40) |
| Travel | | | | $500 | $480 | ($20) |
| Dues | | | | $1,000 | $960 | ($40) |
| Training/Conferences | | | | $1,000 | $1,800 | $800 |
| Gear | | | | $0 | $480 | $480 |
| Miscellaneous | | | | $500 | $480 | ($20) |
| **Total non-personnel** | | | | **$4,000** | **$5,160** | **$1,160** |
| **Total Public Works - Administration** | | | | **$198,507** | **$209,315** | **$10,808** |

## Engineering

Prior to 2024, this Division housed the Engineer himself and a Field Inspector. In early 2024, the City outsourced engineering support to a third-party and eliminated the City Engineer position. That firm is responsible for overseeing the design and implementation of capital and other infrastructure improvement projects[9]. The City has also budgeted for substantial engineering costs in the ARPA Fund.

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Field Inspector | 1.0 | 1.0 | 1.0 | $50,338 | $49,007 | ($1,331) |
| Engineer | 1.0 | 0.0 | 0.0 | $98,367 | $0 | ($98,367) |
| **Salaries and wages** | **2.0** | **1.0** | **1.0** | **$148,705** | **$49,007** | **($99,698)** |
| Office Supplies | | | | $500 | $480 | ($20) |
| Materials & Supplies | | | | $0 | $480 | $480 |
| Travel | | | | $250 | $240 | ($10) |
| Dues | | | | $250 | $240 | ($10) |
| Training/Conferences | | | | $1,000 | $960 | ($40) |
| Professional Services | | | | $40,000 | $100,000 | $60,000 |
| Miscellaneous | | | | $500 | $480 | ($20) |
| **Total non-personnel** | | | | **$42,500** | **$102,880** | **$60,380** |
| **Total Public Works - Engineering** | | | | **$191,205** | **$151,887** | **($39,318)** |

[9] Please see the ARPA and Capital Budget sections for information on the projects planned for 2025.

## Transportation/Highway

This Transportation/Highway Division maintains Chester's streets, traffic signals, streetlights, and vehicles/equipment. in addition to what is listed in the table below, other eligible street maintenance costs are recorded in the Liquid Fuels Fund.

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Supervisor | 1.0 | 1.0 | 1.0 | $68,959 | $71,027 | $2,068 |
| Fleet/Supply Manager | 0.0 | 0.0 | 1.0 | $0 | $57,194 | $57,194 |
| Crew Leader | 1.0 | 1.0 | 1.0 | $50,000 | $51,500 | $1,500 |
| Heavy Equipment Operator | 3.0 | 3.0 | 3.0 | $149,082 | $149,399 | $317 |
| Driver | 4.0 | 4.0 | 5.0 | $182,734 | $228,548 | $45,814 |
| Laborer | 7.0 | 7.0 | 9.0 | $278,348 | $368,614 | $90,266 |
| Seasonal workers | Multiple | Multiple | Multiple | $79,532 | $54,600 | ($24,932) |
| **Salaries and wages** | **16.0** | **16.0** | **20.0** | **$808,655** | **$980,883** | **$172,228** |
| Overtime | | | | $75,000 | $140,875 | $65,875 |
| **Other cash compensation** | | | | **$75,000** | **$140,875** | **$65,875** |
| Office Supplies | | | | $500 | $480 | ($20) |
| Training/Conferences | | | | $10,000 | $7,500 | ($2,500) |
| Materials & Supplies | | | | $15,000 | $36,000 | $21,000 |
| Equipment/Tools | | | | $2,500 | $0 | ($2,500) |
| Equipment Rental | | | | $3,000 | $0 | ($3,000) |
| Personal Gear | | | | $10,000 | $18,000 | $8,000 |
| Public Works - Tree Trimming | | | | $0 | $12,000 | $12,000 |
| Equipment | | | | $25,000 | $15,000 | ($10,000) |
| Fuel | | | | $50,000 | $60,000 | $10,000 |
| Repairs | | | | $75,000 | $100,000 | $25,000 |
| Street Maintenance & Repairs | | | | $0 | $18,000 | $18,000 |
| Miscellaneous | | | | $5,000 | $0 | ($5,000) |
| **Total non-personnel** | | | | **$196,000** | **$266,980** | **$70,980** |
| **Total Public Works - Transportation/Highways** | | | | **$1,079,655** | **$1,388,738** | **$309,083** |

## Sanitation

The City contracts with a third party (J.P. Mascaro & Sons) for residential refuse and recyclable collection, which includes bulk trash removal. The City collects fees from residents in a separate Solid Waste Fund and pays for the cost of refuse removal and sanitation out of that fund.[10]

The City also collects some refuse on its own and takes this material to the Delaware County Solid Waste Authority for disposal. Costs associated with in-house bulk pickup and illegal dumping remediation are recorded in the Sanitation division. In 2025, the City will employ five full-time employees in this Division after three employees (one driver and two laborers) are moved to other Public Works or Facilities/Parks divisions.

[10] The City will also transfer money from the General Fund to the Sanitation Fund to subsidize the program's cost. The interfund transfers out of the General Fund is recorded in the Citywide cost center.

| Wages | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Heavy Equipment Operator | 1.0 | 1.0 | 1.0 | $47,730 | $49,162 | $1,432 |
| Recycling, Trash & Streets Coord. | 1.0 | 1.0 | 1.0 | $68,959 | $46,987 | ($21,972) |
| Driver | 2.0 | 2.0 | 1.0 | $94,313 | $46,426 | ($47,887) |
| Laborer | 4.0 | 4.0 | 2.0 | $159,056 | $82,823 | ($76,233) |
| Seasonal Workers | Multiple | 0.0 | 0.0 | $50,000 | $0 | ($50,000) |
| **Salaries and wages** | **8.0** | **8.0** | **5.0** | **$420,058** | **$225,399** | **($194,659)** |
| Overtime | | | | $10,000 | $10,000 | $0 |
| **Other cash compensation** | | | | **$10,000** | **$10,000** | **$0** |
| Materials And Supplies | | | | $15,000 | $15,000 | $0 |
| Office Supplies | | | | $500 | $480 | ($20) |
| Vehicle Gasoline | | | | $50,000 | $60,000 | $10,000 |
| Gear Expenses | | | | $10,000 | $9,600 | ($400) |
| Repairs & Maint | | | | $75,000 | $25,000 | ($50,000) |
| Equipment Purchase | | | | $2,500 | $2,400 | ($100) |
| Equipment Rental | | | | $3,000 | $3,000 | $0 |
| Miscellaneous | | | | $5,000 | $4,800 | ($200) |
| Equipment | | | | $25,000 | $4,800 | ($20,200) |
| Conferences & Trainings | | | | $10,000 | $4,800 | ($5,200) |
| **Total Non-personnel** | | | | **$196,000** | **$129,880** | **($66,120)** |
| **Total Public Works - Sanitation** | | | | **$626,058** | **$365,279** | **($260,779)** |

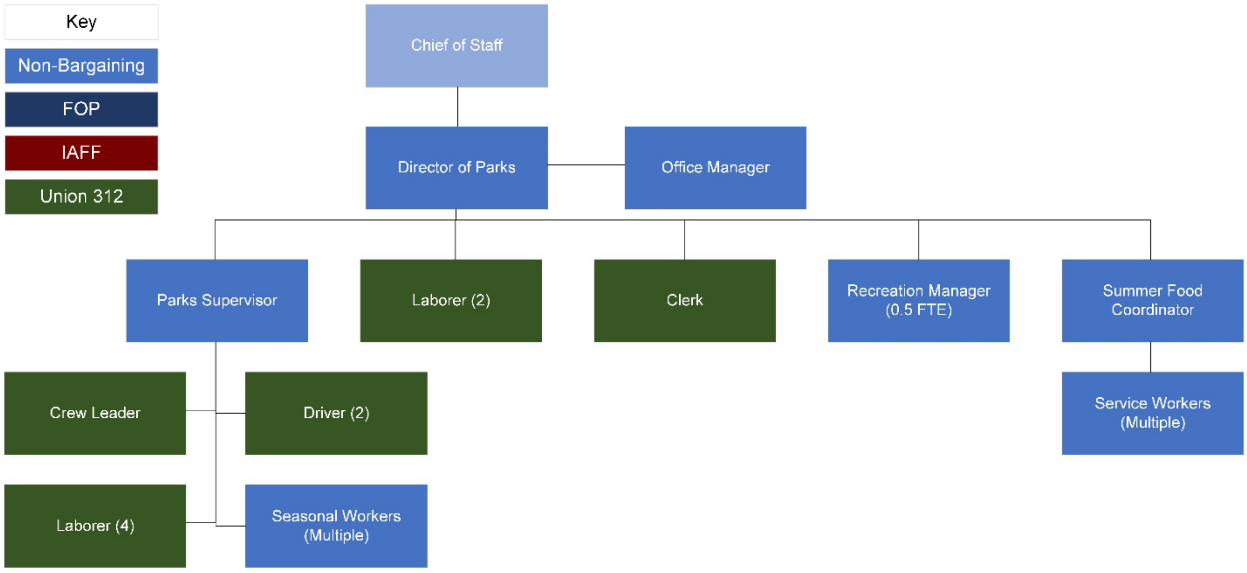
## Facilities/Parks

Primary responsibility for maintaining City-owned buildings (such as City Hall) and six City-owned parks, plus smaller neighborhood and pocket parks, has moved between departments in recent years.

At the start of 2020, the City had a separate Parks and Recreation department that carried these maintenance responsibilities. When the COVID-19 pandemic struck, the City had to furlough most employees in the Parks Department. The City gradually brought employees back to handle a wide array of maintenance duties, including parks maintenance. In the absence of enough funding to restore all positions, parks and building maintenance responsibilities were consolidated into the Department of Public Works.

In the summer of 2023, the Receiver hired an external subject matter expert to review DPW and recommend the appropriate resource allocation. The recommended structure splits DPW into two departments (Public Works and Parks and Recreation), as they were before the pandemic.

In 2024, the City moved in this direction by creating the Parks Director position and shifting an Office Manager position from Finance to this unit. The reconstituted Parks Department, which has two divisions, reports directly to the Chief Operating Officer/Chief of Staff.




### Facilities

The Facilities Division includes the Parks Director; Office Manager; and laborers who perform the maintenance work. The City uses external providers to clean the Police Station and complete any large building repair projects.

This cost center also accounts for the City's Summer Food program that provides children in the City of Chester with USDA-approved nutritious meals, arts and crafts, and other activities at no charge from July through August. In 2025, the Summer Food program will employ a Summer Food Coordinator and several Service Workers.

In 2025, the City will reallocate several positions to better reflect their duties: the Driver and seasonal worker positions will move to Parks and Recreation, the Fleet/Supply Manager will move to Transportation/Highway, and the Recreation Manager will move from Parks into Facilities. Vacant Fleet & Building Maintenance Supervisor and Clerk positions will be eliminated in 2025. The City added a Director and Office Manager partway through 2024.

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Director | 0.0 | 1.0 | 1.0 | $0 | $95,069 | $95,069 |
| Office Manager | 0.0 | 1.0 | 1.0 | $0 | $52,299 | $52,299 |
| Laborer | 2.0 | 2.0 | 2.0 | $79,528 | $81,914 | $2,386 |
| Recreation Manager | 0.0 | 0.0 | 0.5 | $0 | $26,899 | $26,899 |
| Clerk | 0.0 | 0.0 | 1.0 | $0 | $38,403 | $38,403 |
| Summer Food Coordinator | 0.0 | 0.0 | 0.5 | $0 | $6,414 | $6,414 |
| Service Workers | 0.0 | 0.0 | Multiple | $0 | $64,800 | $64,800 |
| Fleet/Supply Manager | 1.0 | 1.0 | 0.0 | $55,528 | $0 | ($55,528) |
| Fleet & Building Maintenance Supervisor | 1.0 | 0.0 | 0.0 | $65,250 | $0 | ($65,250) |
| Seasonal Workers | Multiple | 0.0 | 0.0 | $50,000 | $0 | ($50,000) |
| **Salaries and wages** | **4.0** | **5.0** | **6.0** | **$250,306** | **$365,798** | **$115,492** |
| Overtime | | | | $15,000 | $15,000 | $0 |
| **Other cash compensation** | | | | **$15,000** | **$15,000** | **$0** |
| Office Supplies | | | | $250 | $4,480 | $4,230 |
| Dues | | | | $250 | $0 | ($250) |
| Training/Conferences | | | | $1,000 | $2,400 | $1,400 |
| Materials & Supplies | | | | $5,000 | $6,000 | $1,000 |
| Summer Supplies | | | | $0 | $50,000 | $50,000 |
| Equipment/Tools | | | | $2,500 | $4,800 | $2,300 |
| Buildings | | | | $150,000 | $150,000 | $0 |
| Equipment | | | | $25,000 | $12,000 | ($13,000) |
| Elevator | | | | $10,000 | $7,500 | ($2,500) |
| Parks Repairs and Maintenance | | | | $20,000 | $10,000 | ($10,000) |
| Safety Improvements | | | | $10,000 | $9,600 | ($400) |
| Fuel | | | | $25,000 | $2,400 | ($22,600) |
| Vehicle Repairs | | | | $5,000 | $2,400 | ($2,600) |
| Miscellaneous | | | | $2,500 | $480 | ($2,020) |
| **Total Non-personnel** | | | | **$256,500** | **$262,060** | **$5,560** |
| **Total Parks - Facilities** | | | | **$521,806** | **$642,858** | **$121,052** |

## Parks and Recreation

Chester's parks system has 115 acres across six primary sites: Chester Park, Ethel Waters Park, Washington Park, Barry Bridge Park, Memorial Park, and Martin Luther King Park. The City also maintains a swimming pool at Memorial Park. The Parks Maintenance Division is responsible for maintaining these sites.

In 2025, the City will add Seasonal Workers and one Driver position to support the Parks division. The Recreation Program Coordinator position will be reduced to part time and moved to the Facilities division.

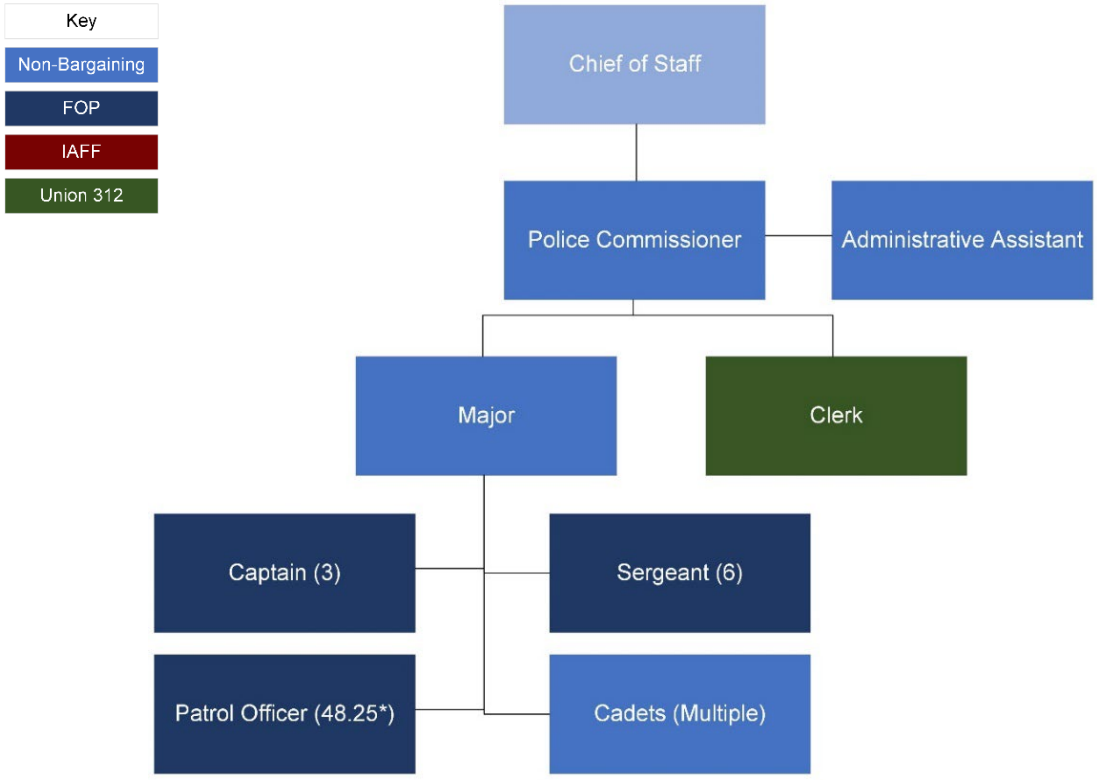
| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Parks Supervisor | 1.0 | 1.0 | 1.0 | $60,000 | $61,800 | $1,800 |
| Crew Leader | 1.0 | 1.0 | 1.0 | $50,000 | $51,500 | $1,500 |
| Driver | 1.0 | 1.0 | 2.0 | $43,709 | $96,666 | $52,957 |
| Laborer | 4.0 | 4.0 | 4.0 | $159,057 | $163,829 | $4,772 |
| Seasonal workers | 0.0 | 0.0 | Multiple | $0 | $46,800 | $46,800 |
| Recreation Program Coordinator | 1.0 | 0.0 | 0.0 | $60,068 | $0 | ($60,068) |
| **Salaries and wages** | **8.0** | **7.0** | **8.0** | **$372,834** | **$420,594** | **$47,760** |
| Overtime | | | | $0 | $40,000 | $40,000 |
| **Other cash compensation** | | | | **$0** | **$40,000** | **$40,000** |
| Office Supplies | | | | $250 | $480 | $230 |
| Park Repairs and Maintenance | | | | $0 | $5,000 | $5,000 |
| Travel | | | | $100 | $240 | $140 |
| Dues | | | | $250 | $0 | ($250) |
| Training/Conferences | | | | $250 | $4,800 | $4,550 |
| Vehicle Repairs | | | | $5,000 | $42,000 | $37,000 |
| Vehicle Gasoline | | | | $0 | $15,000 | $15,000 |
| Repairs & Maintenance | | | | $10,000 | $25,000 | $15,000 |
| Contract Services | | | | $75,000 | $100,000 | $25,000 |
| Programming | | | | $10,000 | $9,600 | ($400) |
| Miscellaneous | | | | $1,000 | $480 | ($520) |
| Maintenance | | | | $20,000 | $15,000 | ($5,000) |
| Upgrades | | | | $5,000 | $5,000 | $0 |
| Equipment | | | | $10,000 | $5,000 | ($5,000) |
| **Total Non-personnel** | | | | **$136,850** | **$227,600** | **$90,750** |
| **Total Parks - Parks and Recreation** | | | | **$509,684** | **$688,194** | **$178,510** |

## Police Department

The Police Department is led by a Commissioner and Major. The Department's mission is to enhance the quality of life in Chester by working in partnership with the community to enforce the law, preserve peace, protect the people, reduce fear, and maintain order.

Most of the Department's costs are associated with its employees, primarily through cash compensation paid to police officers. If the City can fully staff to the levels shown below, the City would have seven ***more*** police officers than it had during much of 2024[11], and nine more than it did as of October 2024. To support staffing, the budget funds two Academy training classes in 2025.

In 2025, the City will contract with an external provider for Animal Control ($100,000), which was previously budgeted as personnel in Community and Economic Development, and to support accreditation ($75,000). Both of these costs appear in the table below under Contracted Services. The City also now contracts with an outside party for School Crossing Guards, which is recorded in a separate cost center.




| Wages | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Police Commissioner | 1.0 | 1.0 | 1.0 | $141,444 | $145,687 | $4,243 |
| Major | 1.0 | 1.0 | 1.0 | $114,761 | $118,205 | $3,444 |
| Clerk | 1.0 | 1.0 | 1.0 | $42,223 | $43,490 | $1,267 |
| Administrative Assistant | 1.0 | 1.0 | 1.0 | $42,436 | $43,709 | $1,273 |
| Captain | 4.0 | 3.0 | 3.0 | $400,009 | $309,969 | ($90,040) |
| Sergeant | 5.0 | 4.0 | 6.0 | $464,632 | $524,411 | $59,779 |
| Detective/Corporal | 14.0 | 9.0 | 13.0 | $1,170,075 | $1,055,990 | ($114,085) |

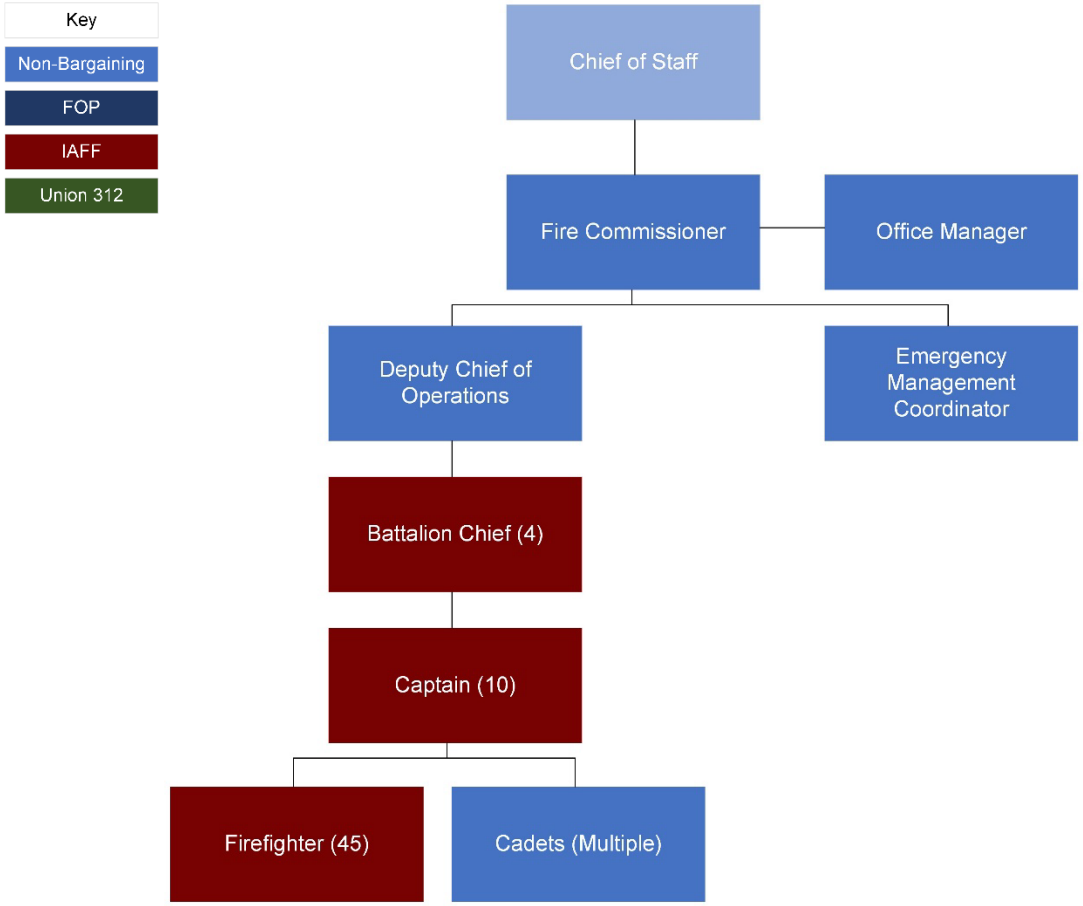
[11] The 2025 budget funds 70 police officer positions, excluding the Commissioner and Major. From January through October 2024, the City averaged 63 filled police officer positions.

| Wages | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Patrol Officer | 70.0 | 45.0 | 48.25 | $4,373,369 | $3,394,975 | ($978,394) |
| Cadets | Multiple | Multiple | Multiple | $100,800 | $162,240 | $61,440 |
| Crossing Guard Clerk | 1.0 | 1.0 | 0.0 | $32,279 | $0 | ($32,279) |
| Crossing Guards | Multiple | 0.0 | 0.0 | $509,840 | $0 | ($509,840) |
| **Salaries and wages** | **98.0** | **66.0** | **74.25** | **$7,391,868** | **$5,798,677** | **($1,593,191)** |
| Overtime[12] | | | | $600,000 | $1,588,183 | $988,183 |
| Uniform allowance | | | | $73,600 | $75,000 | $1,400 |
| Shift differential | | | | $150,000 | $37,000 | ($113,000) |
| Other premium pay | | | | $398,000 | $32,000 | ($366,000) |
| **Other cash compensation** | | | | **$1,221,600** | **$1,732,183** | **$510,583** |
| Office Supplies | | | | $5,000 | $4,800 | ($200) |
| Janitorial Supplies | | | | $2,500 | $7,500 | $5,000 |
| Medical Supplies | | | | $1,500 | $4,800 | $3,300 |
| Supplies | | | | $85,000 | $50,000 | ($35,000) |
| Uniform Maintenance | | | | $25,000 | $7,500 | ($17,500) |
| Dues And Subscriptions | | | | $4,000 | $49,000 | $45,000 |
| Training/Conferences | | | | $17,500 | $19,600 | $2,100 |
| Prisoner Care | | | | $5,000 | $8,000 | $3,000 |
| Firearms | | | | $5,000 | $0 | ($5,000) |
| Ammunition | | | | $5,000 | $4,800 | ($200) |
| Gear Expenses | | | | $15,000 | $4,800 | ($10,200) |
| Communication Equip | | | | $10,000 | $4,800 | ($5,200) |
| Communication Repairs | | | | $20,000 | $9,600 | ($10,400) |
| Other Equipment | | | | $20,000 | $10,000 | ($10,000) |
| Repairs & Maintenance | | | | $175,000 | $125,000 | ($50,000) |
| Garage Rental | | | | $7,500 | $7,500 | $0 |
| Fuel | | | | $35,000 | $120,000 | $85,000 |
| Contract Services | | | | $0 | $175,000 | $175,000 |
| Elevator Maintenance | | | | $3,000 | $3,600 | $600 |
| Car Wash | | | | $0 | $3,600 | $3,600 |
| K-9 Expenses | | | | $10,000 | $0 | ($10,000) |
| Miscellaneous | | | | $5,000 | $960 | ($4,040) |
| **Total Non-personnel** | | | | **$456,000** | **$620,860** | **$164,860** |
| **Total Police** | | | | **$9,069,468** | **$8,151,719** | **($917,749)** |

[12] The larger allocation for overtime reflects the City's efforts to improve the accuracy of budgeting for this line item.

## Fire Department

The Chester Fire Department (CFD) provides fire and emergency response services for Chester's more than 33,000 residents, visitors, and businesses within the City's 4.83 square miles of land and 1.17 miles of water. The Department is led by the Fire Commissioner and a Deputy Chief of Operations. To support staffing, the budget funds two Academy training classes in 2025. Similar to the Police Department, the City will eliminate some vacant Firefighter positions entering 2025.



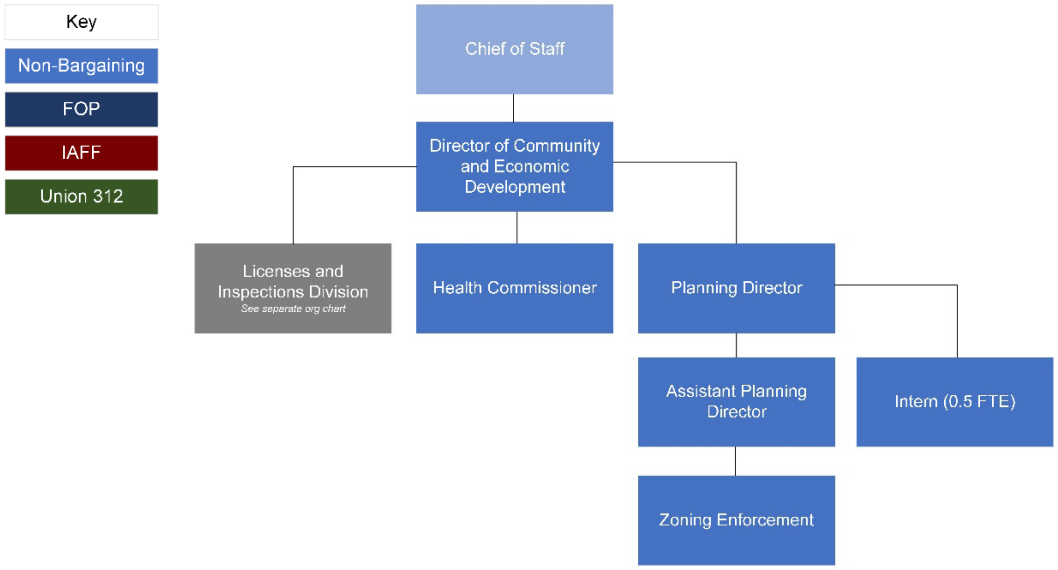

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Fire Commissioner | 1.0 | 1.0 | 1.0 | $127,308 | $131,127 | $3,819 |
| Deputy Chief of Operations | 1.0 | 1.0 | 1.0 | $112,270 | $115,360 | $3,090 |
| Emergency Management Specialist | 1.0 | 0.0 | 1.0 | $60,000 | $61,800 | $1,800 |
| Office Manager | 1.0 | 1.0 | 1.0 | $42,436 | $53,873 | $11,437 |
| Battalion Chief | 4.0 | 4.0 | 4.0 | $381,379 | $387,464 | $6,085 |
| Captain | 10.0 | 10.0 | 10.0 | $846,977 | $872,386 | $25,409 |
| Firefighter | 49.0 | 45.0 | 45.0 | $3,332,090 | $3,206,545 | ($125,545) |
| Cadets | Multiple | Multiple | Multiple | $47,250 | $96,000 | $48,750 |
| **Salaries and wages** | **67.0** | **62.0** | **63.0** | **$4,949,710** | **$4,924,555** | **($25,155)** |

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Overtime[13] | | | | $250,000 | $926,135 | $676,135 |
| Uniform allowance | | | | $40,000 | $36,000 | ($4,000) |
| Other premium pay[14] | | | | $49,500 | $0 | ($49,500) |
| **Other cash compensation** | | | | **$339,500** | **$962,135** | **$622,635** |
| Office Supplies | | | | $3,000 | $960 | ($2,040) |
| Janitorial Supplies | | | | $7,000 | $8,500 | $1,500 |
| Medical Supplies | | | | $7,000 | $3,600 | ($3,400) |
| Supplies Other | | | | $20,000 | $15,000 | ($5,000) |
| Dues | | | | $2,000 | $960 | ($1,040) |
| Grant Prep | | | | $5,000 | $7,500 | $2,500 |
| Training/Conferences | | | | $5,000 | $18,000 | $13,000 |
| Equipment | | | | $20,000 | $0 | ($20,000) |
| Special Operations | | | | $50,000 | $19,200 | ($30,800) |
| Personal Gear | | | | $20,000 | $7,500 | ($12,500) |
| Fire Equipment | | | | $0 | $9,600 | $9,600 |
| Equipment Repairs | | | | $22,000 | $9,600 | ($12,400) |
| Station Repairs/Maintenance | | | | $30,000 | $30,000 | $0 |
| Radio Repairs | | | | $10,000 | $2,400 | ($7,600) |
| Fire Prevention | | | | $5,000 | $4,800 | ($200) |
| Repairs | | | | $120,000 | $100,000 | ($20,000) |
| Fuel | | | | $50,000 | $55,000 | $5,000 |
| Vehicle maintenance | | | | $300,000 | $0 | ($300,000) |
| Professional Service | | | | $0 | $0 | $0 |
| **Total non-personnel** | | | | **$676,000** | **$292,620** | **($383,380)** |
| **Total Fire** | | | | **$5,965,210** | **$6,179,310** | **$214,100** |

[13] The larger allocation for overtime reflects the City's efforts to improve the accuracy of budgeting for this line item.
[14] In 2024, the City budgeted separately for Holiday Pay. In 2025, these costs are captured between regular salaries and wages and overtime.

# Community and Economic Development

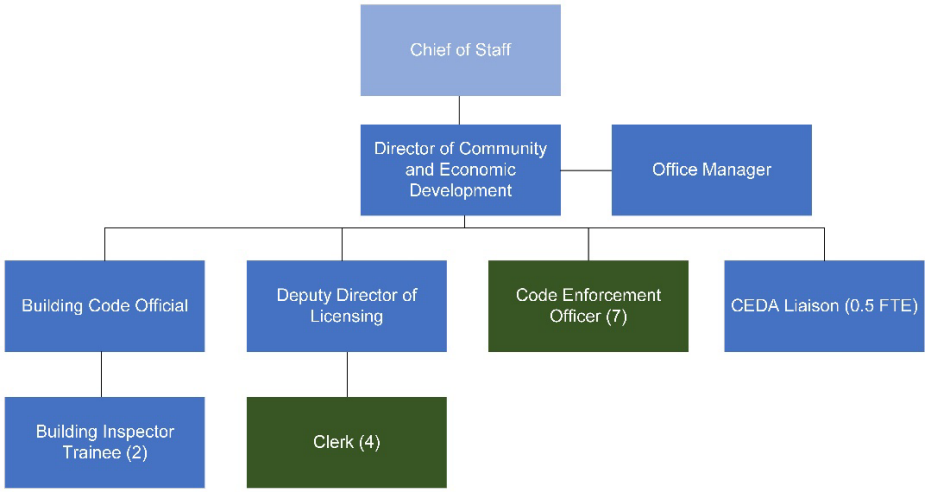
The Community and Economic Development ("CED") Department is responsible for maintaining the health, safety, and overall well-being of private property and businesses within the City of Chester. This includes revitalization efforts alongside the Chester Economic Development Authority ("CEDA"). The Department consists of three (3) divisions: Licenses and Inspections (L&I), Planning, and Public Health.




## Licenses and Inspections (L&I)

L&I is responsible for all physical inspections for residential and commercial properties, as well as presale and quality of life inspections. This includes the residential rental property inspection program that is supported by a separate enterprise fund. The CED Director position is budgeted in the L&I cost center. This division includes L&I personnel and overtime costs for Code Enforcement Officers.

The 2024 budget did not allocate funding for the fourth existing Clerk position – the 2025 budget corrects for this oversight. The City will reduce one vacant code enforcement officer position. As of late 2024, most building code inspections were being contracted to third-party contractors, and this is expected to continue in 2025. The City will also add $174,000 in professional services to support Community and Economic Development restructuring, including hiring an interim director and other support services for the department.



| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Community & Economic Dev. Director | 1.0 | 0.0 | 1.0 | $85,000 | $90,125 | $5,125 |
| Deputy Director of Licensing | 1.0 | 1.0 | 1.0 | $87,500 | $90,177 | $2,677 |
| Office Manager | 1.0 | 0.0 | 1.0 | $39,327 | $53,873 | $14,546 |
| Building Code Official | 1.0 | 1.0 | 1.0 | $62,000 | $77,006 | $15,006 |
| Code Enforcement Officer | 8.0 | 7.0 | 7.0 | $342,267 | $332,903 | ($9,364) |
| Clerk | 4.0 | 2.0 | 4.0 | $121,699 | $159,098 | $37,399 |
| Building Inspector Trainee | 2.0 | 1.0 | 2.0 | $100,000 | $103,000 | $3,000 |
| CEDA Liaison | 0.0 | 0.0 | 0.5 | $0 | $34,763 | $34,763 |
| Electrical Inspector | 1.0 | 0.0 | 0.0 | $62,000 | $0 | ($62,000) |
| Plumbing Inspector | 1.0 | 0.0 | 0.0 | $62,000 | $0 | ($62,000) |
| Animal Control Officer | 0.5 | 0.0 | 0.0 | $50,038 | $0 | ($50,038) |
| **Salaries and wages** | **20.5** | **12.0** | **17.5** | **$1,011,831** | **$940,944** | **($70,887)** |
| Overtime | | | | $500 | $7,725 | $7,225 |
| **Other cash compensation** | | | | **$500** | **$7,725** | **$7,225** |
| Materials & Supplies | | | | $5,000 | $20,000 | $15,000 |
| Office Supplies | | | | $1,000 | $2,400 | $1,400 |
| Travel | | | | $500 | $480 | ($20) |
| Mileage | | | | $1,500 | $3,000 | $1,500 |
| Dues | | | | $500 | $480 | ($20) |
| Training/Conferences | | | | $2,500 | $14,410 | $11,910 |
| Repair & Maintenance | | | | $2,000 | $7,500 | $5,500 |
| Fuel | | | | $5,000 | $9,000 | $4,000 |
| Contract Services | | | | $25,000 | $367,200 | $342,200 |
| Professional Services | | | | $0 | $174,000 | $174,000 |
| Cleaning and Boarding | | | | $0 | $20,000 | $20,000 |
| Gear Expenses | | | | $0 | $15,000 | $15,000 |
| Miscellaneous | | | | $1,000 | $480 | ($520) |
| **Total non-personnel** | | | | **$44,000** | **$633,950** | **$589,950** |
| **Total Licenses & Inspections** | | | | **$1,056,331** | **$1,582,619** | **$526,288** |

## Planning

The Planning Division is responsible for implementing the City's Comprehensive Plan through zoning and neighborhood and corridor planning. Planning provides direction and technical assistance to property owners, general contractors, and developers regarding zoning, land development, and land usage to ensure compliance with the Pennsylvania Municipalities Planning Code. The Division adheres to a planning process that considers the needs of residents and considers the social, environmental, physical, and economic impacts of such development.

In 2025, the Planning division will reduce one vacant Junior Planner position and add a part-time Intern.

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Planning Director | 1.0 | 1.0 | 1.0 | $95,000 | $97,850 | $2,850 |
| Assistant Planning Director | 1.0 | 1.0 | 1.0 | $60,000 | $72,100 | $12,100 |
| Zoning Enforcement | 1.0 | 1.0 | 1.0 | $50,388 | $51,900 | $1,512 |
| Junior Planner/GIS Coordinator | 1.0 | 0.0 | 0.0 | $52,000 | $0 | ($52,000) |
| Intern | 0.0 | 0.0 | 0.5 | $0 | $9,880 | $9,880 |
| **Salaries and wages** | **4.0** | **3.0** | **3.5** | **$257,388** | **$231,730** | **($25,658)** |
| Office Supplies | | | | $500 | $480 | ($20) |
| Travel | | | | $500 | $480 | ($20) |
| Dues | | | | $20,000 | $1,800 | ($18,200) |
| Training/Conferences | | | | $2,500 | $7,500 | $5,000 |
| Professional Services | | | | $25,000 | $30,000 | $5,000 |
| Zoning Fees | | | | $10,000 | $15,000 | $5,000 |
| Auto Fuel | | | | $0 | $720 | $720 |
| Auto Repairs & Maintenance | | | | $0 | $480 | $480 |
| Grant Matches | | | | $100,000 | $100,000 | $0 |
| Miscellaneous | | | | $2,500 | $2,400 | ($100) |
| **Total non-personnel** | | | | **$161,000** | **$158,860** | **($2,140)** |
| **Total Planning** | | | | **$418,388** | **$390,590** | **($27,798)** |

## Public Health

The Public Health Division was eliminated in 2022 as part of the budget process – at that time, many of the services and responsibilities were assumed by other departments or the newly established Delaware County Health Department. The Division was reestablished in 2024 and continues in the 2025 budget with a new lead poisoning mitigation initiative.

| | 2024 Budget FTE | Oct. 24 FTE | 2025 Budget FTE | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|---|---|---|
| Health Commissioner | 0.0 | 1.0 | 1.0 | $0 | $77,000 | $77,000 |
| Community Health Manager | 1.0 | 1.0 | 0.0 | $67,500 | $0 | ($67,500) |
| Housing Program Coordinator | 0.5 | 0.5 | 0.0 | $33,500 | $0 | ($33,500) |
| **Salaries and wages** | **1.5** | **2.5** | **1.0** | **$101,000** | **$77,000** | **($24,000)** |
| Education & Projects | | | | $1,000 | $9,600 | $8,600 |
| Materials & Supplies | | | | $500 | $4,800 | $4,300 |
| Cleaning & Boarding | | | | $5,000 | $0 | ($5,000) |
| Office Supplies | | | | $500 | $480 | ($20) |
| Professional Services | | | | $2,500 | $2,400 | ($100) |
| Travel | | | | $250 | $240 | ($10) |
| Miscellaneous | | | | $500 | $480 | ($20) |
| Training/Conferences | | | | $500 | $480 | ($20) |
| Dues | | | | $0 | $0 | $0 |
| **Total non-personnel** | | | | **$10,750** | **$18,480** | **$7,730** |
| **Total Public Health** | | | | **$111,750** | **$95,480** | **($16,270)** |

# Citywide Costs

## Citywide benefits

The City budgets for employee benefits centrally. These benefits include health insurance (medical, prescription, vision, dental), life insurance, workers' compensation, and payroll taxes (or "FICA"). General liability and property insurance expenditures are part of the Finance Department's budget.

### *Reimbursements*

The City expects to receive $370,000 in workers' compensation reimbursements for wages of workers on leave next year. This reimbursement is recorded as a negative expenditure in this cost center.

### *Health benefit costs*

The City is self-insured for all active and some retired employees, meaning the City pays the cost of medical claims as they are incurred, instead of paying a set monthly amount to an insurance company. Some retirees are fully insured through a Medicaid supplemental plan provided by The Hartford/Benistar. The City pays fees to its third-party administrator (Meritain) and its insurance broker. The 2025 allocations are based on information provided by the insurance broker during the budget process. The premium equivalency rates for the plans covering active and some retired employees increased by 6.3 percent.[15]

### *Other benefit costs*

Payroll taxes (or "FICA"), life insurance, unemployment, and workers' compensation insurance costs are budgeted centrally for all City employees. The 2025 budget allocates $2.6 million for workers' compensation coverage based on 2025 budgeted payroll.

### *Pension contributions*

The City's Minimum Municipal Obligations (MMOs) to the pension plans for police, fire, and non-uniform employees are recorded here. According to the actuary, the 2025 MMO for those plans total $10.8 million, which is a decrease from the 2024 MMOs, particularly for police and O&E plans. The City will make an additional $2.5 million contribution (likely to the Police Pension Plan) to ensure compliance with the Act authorizing the distressed pension tax.

| | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|
| Worker Compensation Reimbursements | $0 | ($370,000) | ($370,000) |
| **Reimbursements** | | **($370,000)** | **($370,000)** |
| Medical Insurance | $8,654,369 | $8,812,000 | $157,631 |
| Vision Insurance | $62,535 | $53,000 | ($9,535) |
| Dental Insurance | $659,069 | $495,000 | ($164,069) |
| Hartford Health Plan | $1,380,000 | $1,198,635 | ($181,365) |
| EAP Fees | $1,800 | $10,000 | $8,200 |
| Health Admin. Fees | $1,378,512 | $1,076,000 | ($302,512) |
| Broker Fee | $200,000 | $198,000 | ($2,000) |
| Employee Contributions | ($192,398) | ($308,277) | ($115,879) |
| **Health benefit costs** | **$12,143,887** | **$11,534,358** | **($609,529)** |
| FICA | $591,860 | $1,056,210 | $464,350 |
| Workers Compensation Insurance | $2,420,000 | $2,643,664 | $223,664 |

[15] Per employee per month total claims, including medical and prescription.

| | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|
| Unemployment | $41,000 | $196,603 | $155,603 |
| Life Insurance – Active | $17,324 | $15,560 | ($1,764) |
| Life Insurance - Retiree | $43,927 | $45,684 | $1,757 |
| **Other benefits** | **$3,114,111** | **$3,957,721** | **$843,610** |
| Police | $10,741,062 | $7,321,495 | ($3,419,567) |
| Fire | $2,307,691 | $3,281,536 | $973,845 |
| O&E | $1,299,589 | $203,532 | ($1,096,057) |
| Distress Requirement | $0 | $2,500,000 | $2,500,000 |
| **Pension contributions** | **$14,348,342** | **$13,306,563** | **($1,041,779)** |
| **Total citywide benefits** | **$29,606,340** | **$28,428,642** | **($1,177,698)** |

## Utilities

Telephone line item includes land lines and cell phones. The City purchases electricity wholesale from Constellation Energy. The City also pays a transmission fee to PECO. The contract beginning December 2024 will establish the fixed rate price of $0.06139 per kilowatt-hour. Electricity for turn signals and streetlights is paid with Liquid Fuel funds.

| | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|
| Telephone | $105,000 | $72,000 | ($33,000) |
| Electricity | $247,500 | $345,000 | $97,500 |
| Sewer | $15,000 | $22,000 | $7,000 |
| Water | $45,000 | $43,000 | ($2,000) |
| Other | $0 | $0 | $0 |
| **Total Utilities** | **$412,500** | **$482,000** | **$69,500** |

## Other Citywide Expenses

The City pays for parking expenses, primarily contracted services, out of the General Fund. The City collects three types of revenue: a $325,000 annual payment from Widener University related to parking; parking tax revenue; and anticipated revenues from a new parking program to be launched in 2025.

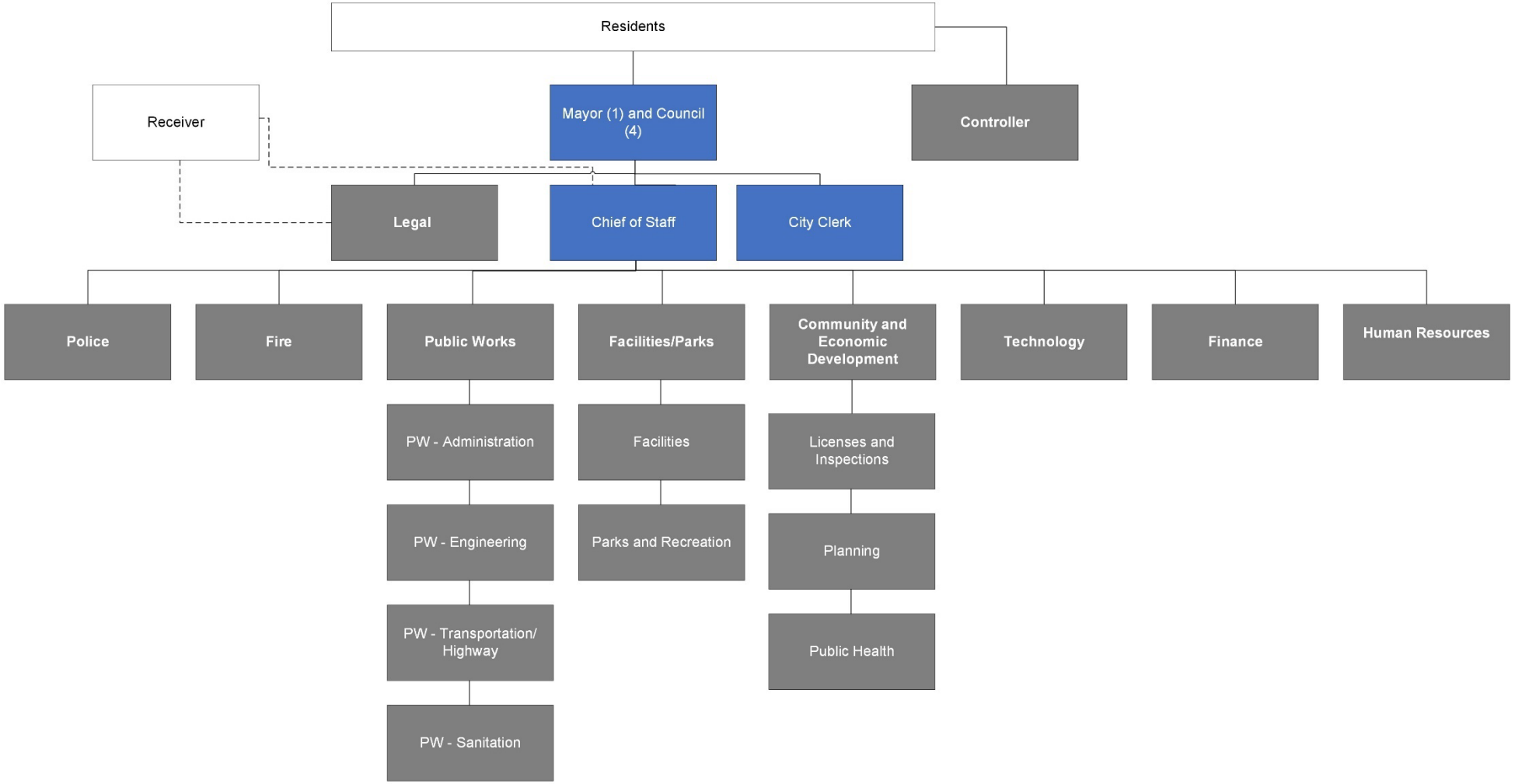
| | Budgeted 2024 | Requested 2025 | Difference 2024 - 25 |
|---|---|---|---|
| Parking Taxes & Fees | $400,000 | $120,000 | ($280,000) |
| Parking Fee - Widener Payment | $0 | $325,000 | $325,000 |
| Parking Tax | $0 | $200,000 | $200,000 |
| **Total Parking Revenue** | **$400,000** | **$645,000** | **$245,000** |
| Contracted Services | $0 | $200,000 | $200,000 |
| Miscellaneous | $0 | $5,000 | $5,000 |
| **Total Parking Expenditures** | **$0** | **$205,000** | **$205,000** |
| **Parking Surplus/Deficit** | **$400,000** | **$440,000** | **$40,000** |

Other non-departmental expenses in the 2025 budget include: repayment of the no-interest cash flow loan, which functions as the City's Tax Revenue Anticipation Note (TRAN); repayment of the 2017 emergency loan from the Pennsylvania Department of Community and Economic Development ("DCED"), and crossing guard services that the City will contract out next year, and interfund transfers from the General Fund to other City funds.

The General Fund will also continue to subsidize the Solid Waste Fund because the City's trash fee revenue is not sufficient to cover the full cost of the residential refuse and recyclable collection program.

| | Budgeted 2024 | Requested 2025 | Difference 2024 – 25 |
|---|---|---|---|
| Tax Revenue Anticipation Note (TRAN) | $5,000,000 | $2,000,000 | ($3,000,000) |
| Other debt | $3,177,250 | $200,000 | ($2,977,250) |
| **Total Debt** | **$8,177,250** | **$2,200,000** | **($5,977,250)** |
| Salaries and wages | $542,119 | $0 | ($542,119) |
| Contracted Services | $0 | $521,330 | $521,330 |
| Miscellaneous | $0 | $5,000 | $5,000 |
| **Crossing Guard Total** | **$542,119** | **$526,330** | **($15,789)** |
| Transfer to Capital Fund | $0 | $0 | $0 |
| Operating Transfer Out | $834,932 | $525,000 | ($309,932) |
| RE Transfer to Library | $348,813 | $342,000 | ($6,813) |
| RE Transfer to Special Events | $0 | $40,000 | $40,000 |
| **Interfund Transfers Total** | **$1,183,745** | **$907,000** | **($276,745)** |
| **Total Other Citywide Expenses** | **$9,903,114** | **$3,633,330** | **($6,269,784)** |

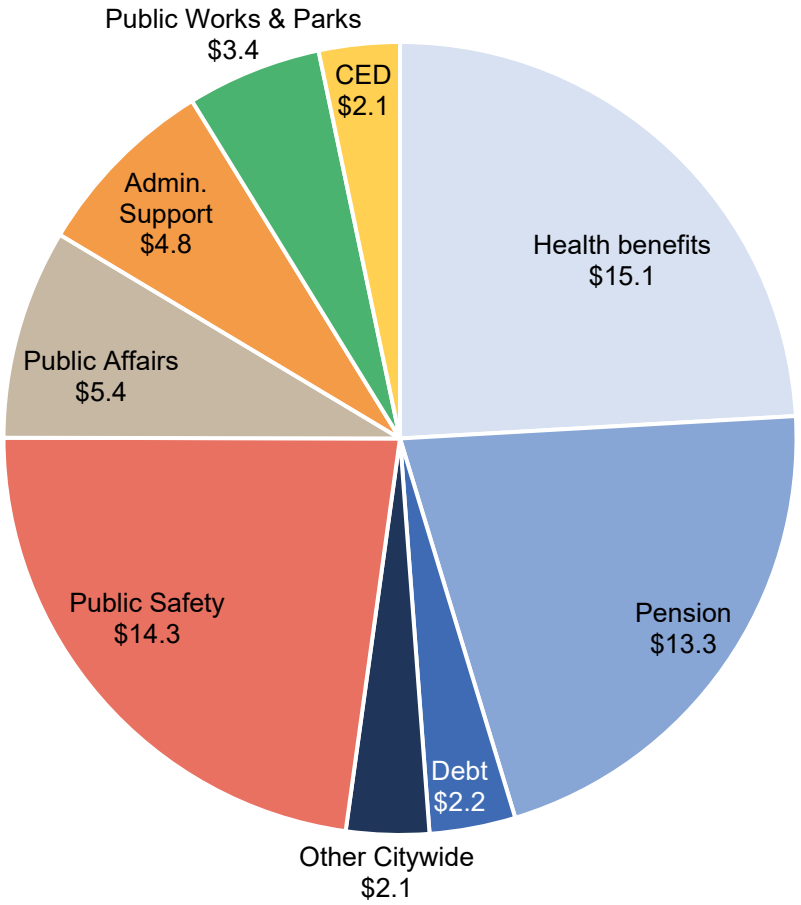
# Citywide Organizational Chart



# General Fund Expenditures

| | FTE | Salaries and wages | Other cash compensation | Total personnel | Total non-personnel | Total Budget |
|---|---|---|---|---|---|---|
| City Council & Administration | 8.5 | $621,553 | $0 | $621,553 | $421,800 | $1,043,353 |
| City Clerk | 2.0 | $147,193 | $0 | $147,193 | $16,920 | $164,113 |
| Legal | 2.5 | $196,102 | $0 | $196,102 | $3,915,480 | $4,111,582 |
| Finance | 15.5 | $1,085,719 | $7,725 | $1,093,444 | $2,486,565 | $3,580,009 |
| Controller | 1.0 | $50,000 | $0 | $50,000 | $4,200 | $54,200 |
| Human Resources | 4.0 | $305,232 | $0 | $305,232 | $94,260 | $399,492 |
| Information Technology | 2.5 | $167,769 | $0 | $167,769 | $633,940 | $801,709 |
| Public Works - Administration | 3.0 | $204,155 | $0 | $204,155 | $5,160 | $209,315 |
| Public Works - Engineering | 1.0 | $49,007 | $0 | $49,007 | $102,880 | $151,887 |
| Public Works - Transportation/Highways | 20.0 | $980,883 | $140,875 | $1,121,758 | $266,980 | $1,388,738 |
| Public Works - Sanitation | 5.0 | $225,399 | $10,000 | $235,399 | $129,880 | $365,279 |
| Parks - Facilities | 6.0 | $365,798 | $15,000 | $380,798 | $262,060 | $642,858 |
| Parks - Parks and Recreation | 8.0 | $420,594 | $40,000 | $460,594 | $227,600 | $688,194 |
| Police | 74.3 | $5,798,677 | $1,732,183 | $7,530,859 | $620,860 | $8,151,719 |
| Fire | 63.0 | $4,924,555 | $962,135 | $5,886,690 | $292,620 | $6,179,310 |
| Licenses & Inspections | 17.5 | $940,944 | $7,725 | $948,669 | $633,950 | $1,582,619 |
| Planning | 3.5 | $231,730 | $0 | $231,730 | $158,860 | $390,590 |
| Public Health | 1.0 | $77,000 | $0 | $77,000 | $18,480 | $95,480 |
| **Total departmental expenses** | **238.3** | **$16,792,311** | **$2,915,643** | **$19,707,954** | **$10,292,495** | **$30,000,448** |
| Citywide benefits | | | | | | $15,122,079 |
| Pension | | | | | | $13,306,563 |
| Debt | | | | | | $2,200,000 |
| Interfund Transfers | | | | | | $907,000 |
| Crossing Guards | | | | | | $526,330 |
| Utilities | | | | | | $482,000 |
| Parking | | | | | | $205,000 |
| **Total citywide expenses** | | | | | | **$32,748,972** |
| **Total 2025 General Fund budget** | | | | | | **$62,749,420** |

## 2025 General Fund Expenditure Budget ($ millions)



# American Rescue Plan Act (ARPA) Fund

In March 2021, President Joseph Biden signed into law the $1.9 trillion American Rescue Plan Act (ARPA) that includes money for state and local governments. Chester has received $30.4 million that it must spend by December 2026.[1]

Chester will use its ARPA funding to maintain vital and necessary services provided by City government to the fullest extent allowed under those guidelines. In prior years, the City has used ARPA funding to support daily operations through the Act's revenue replacement, return-to-work, and health and economic impact mitigation provisions. As of November 2024, the City has used $10 million in revenue replacement dollars to support the General Fund. In 2025, the City plans to use just $200,000 under these provisions and interest earnings on the ARPA balance to support daily operations.

Other ARPA-funded projects are tracked outside the General Fund in a separate ARPA Fund. The City and Receiver have prioritized capital investments in City-owned assets because the City has made such a modest investment in its facilities, parks, and equipment for years and should not miss this opportunity to address its growing backlog of needs.

Large projects scheduled for 2025 include the following:

- **Public Works Garage & Shed Repairs ($5.1 million).** The City of Chester is undergoing significant changes in its Public Works infrastructure due to the sale of the property at 2nd and Dock Streets to DELCORA and the acquisition of a new property at West 2nd and Lloyd Streets.

  Costs for this project include termination of the current least at West 2nd & Lloyd Streets, cleanup of the current DPW garage site to ensure it is ready for transfer to DELCORA, and design and redevelopment of a new public works garage. Future phases may be funded by additional grants or other funding sources.

- **Business Façade Program ($2.0 million).** The City of Chester is committed to revitalizing and uplifting its commercial corridors. The Façade Enhancement Initiative extends grant funding to property and business owners within designated commercial areas in Chester to improve their building facades.

  Phase I of this landmark initiative will focus on the 4th Street-9th Street and Edgemont Avenue – Welsh street corridors. Construction is slated to commence in 2025, with all projects targeted for completion before December 31, 2026.

- **City Hall Renovations ($1.8 million).** This project focuses on enhancing the security and emergency preparedness of City Hall, including implementing advanced security systems, such as surveillance cameras, access control systems, and emergency notification systems. Additionally, upgrades will be made to the building's structural elements (such as electrical, plumbing, hot water heaters, HVAC etc.) to meet the latest safety standards.

  The goal is to create a secure and resilient environment for both employees and citizens visiting City Hall. The upgrade will involve the installation of smart lighting, climate control systems, and intelligent sensors for optimized resource management. Additionally, a centralized control system will be implemented to monitor and manage these systems, ensuring a more environmentally friendly and cost-effective operation of City Hall.

[1] Actual funds available through ARPA exceed $30.4 million because the original award has accrued interest and because DELCORA committed matching dollars to the Dock Street project.

The table below lists the projects that have been obligated or spent as of November 2024, those that will have spending in 2025, and those planned for 2026.

As of November 2024, the City has either spent or obligated $21.9 million. The City plans to spend another $8.6 million in 2025 and then use the remaining $1.9 million in 2026, which is the final year that ARPA funds can be expended.[2]

**City of Chester American Rescue Plan Act (ARPA) Spending**

| Project Name | Obligated as of 11/30/24 | Budget 2025 | Planned 2026 |
|---|---|---|---|
| **Completed in prior years** | **$5,075,309** | **$0** | **$0** |
| Operating Transfer | $10,000,000 | $200,000[3] | $0 |
| Codification Services | $29,995 | $17,997 | $0 |
| Street Signage | $89,272 | $2,223 | $0 |
| City Staff | $2,419,826 | $85,000 | $0 |
| Temporary Staffing Firm | $120,000 | $33,070 | $0 |
| UHY Advisors | $275,200 | $88,506 | $29,502 |
| Engineering Firm | $1,095,800 | $555,724 | $185,241 |
| Homeowner / Landlord Operational Cost | $200,000 | $123,396 | $41,132 |
| Homeowner / Landlord Program Consultants | $120,000 | $87,046 | $29,015 |
| Homeowner / Landlord Assistance | $780,000 | $341,636 | $113,879 |
| Office 365 Migration 2024-2025 license | $113,976 | $85,482 | $28,494 |
| Public Works Garage & Shed Repairs | $1,400,125 | $2,785,690 | $928,563 |
| Chester Clean Ways | $0 | $75,000 | $25,000 |
| City Hall Renovations | $129,215 | $1,324,821 | $441,607 |
| Police Station Repairs (Evidence Room) | $30,991 | $477,274 | $0 |
| Business Façade Improvement Program | $0 | $2,000,000 | $0 |
| Backup IT UPS | $0 | $50,000 | $0 |
| Park Safety Upgrades | $0 | $225,000 | $75,000 |
| **Total in progress** | **$21,879,709** | **$8,557,863** | **$1,897,433** |

[2] Expenditures in the budget total $9.1 million.
[3] The City will transfer interest earnings from the ARPA Fund to the general fund. A small portion of the ARPA funding will also support positions under the Act's "return-to-work" provision (see $85,000 allocation for City staff).

# Capital Budget

City government owns and maintains several capital assets – buildings; roads, streets, and bridges; traffic signals and streetlights; parks and other public spaces; and vehicles and equipment. When the City acquires, replaces, or makes major renovations to these assets, it should fund that work from a Capital Project Fund that is separate from the General Fund.

For many years, the City has attempted to budget very modest amounts for these purposes – far less than needed just to cover the cost of wear-and-tear, regular lifecycle replacement, and depreciation – then invariably cut this spending when the operating budget fell out of balance.

While the City is working to bring its operating budget into balance, it must still make some capital investments. The City cannot provide police or fire protection without police cruisers and fire engines; maintain streets and bridges without paving or replacing them; or provide parks and recreation without repairing playgrounds and security fences. Information technology hardware (e.g. computers, servers, routers) supports all City functions and require periodic updates and replacement, which is another capital expense.

**Capital budget revenues**

The 2025 budget allocates $4.7 million for these purposes as described below.

The two largest funding sources to support these projects in 2025 are Community Development Block Grant (CDBG) funding directed to the City by the Chester Economic Development Agency (CEDA) in 2024 and money that the City saved in its General Fund 2024 when it did not fill several vacant positions and then transferred into this Capital Project Fund. Other smaller revenue sources, mostly from other organizations, are described below.

| | 2024 Budget | 2024 Jan - Sept | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Operating transfer in | $850,000 | $222,380 | $0 | ($850,000) |
| Proceeds From CEDA | $0 | $0 | $2,072,064 | $2,072,064 |
| Proceeds from local grants | $0 | $0 | $250,000 | $250,000 |
| Proceeds from PA grants | $0 | $0 | $945,000 | $945,000 |
| Proceeds from federal grants | $0 | $0 | $216,000 | $216,000 |
| Proceeds from sale of assets | $0 | $0 | $150,000 | $150,000 |
| Interest | $0 | $9,803 | $9,000 | $9,000 |
| **Capital Fund revenue** | **$850,000** | **$232,183** | **$3,642,064** | **$2,792,064** |

Please note that these capital projects are separate from those supported by the federal stimulus funding from the American Rescue Plan Act of 2021. Those projects are described in a separate section of the budget.

**Capital budget expenditures**

Most of the 2025 capital budget funding ($1.8 million or 38.6 percent of the total) is allocated for **vehicle replacement**, particularly in the police and fire departments, which are crucial to daily service delivery. Many City vehicles are being used far beyond their recommended life cycle, which generates additional maintenance costs and still provides limited functionality.

There is over $1 million for the City's cost of **replacing two bridges and street repairs**. The capital budget allocates $0.6 million for **equipment purchases**, primarily for the City's technology needs, and another $0.9 million for capital **contracted services** in Parks and Community and Economic Development departments (primarily building demolition). The City plans to use $1 million in fund balance in the Capital Fund to support 2025 expenditures.

| | 2024 Budget | 2024 Jan - Sept | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Parks - Vehicle Purchase | $0 | $0 | $131,000 | $131,000 |
| Fire - Vehicle Purchase | $300,000 | $0 | $855,000 | $555,000 |
| Highway - Vehicle Purchase | $0 | $0 | $207,000 | $207,000 |
| Police - Vehicle Purchase | $0 | $47,600 | $483,000 | $483,000 |
| Mayor - Vehicle Purchase | $0 | $47,600 | $0 | $0 |
| CED - Vehicle Purchase | $0 | $0 | $124,000 | $124,000 |
| **Total Vehicle Purchase** | **$300,000** | **$95,200** | **$1,800,000** | **$1,500,000** |
| Street Improvement, Building Repair & Maintenance | $0 | $665 | $1,222,433 | $1,222,433 |
| **Total Street Improvement, Building Repair & Maintenance** | **$0** | **$665** | **$1,222,433** | **$1,222,433** |
| Tech - Equipment Purchase | $350,000 | $222,380 | $229,000 | ($121,000) |
| Fire - Gear Expenses | $0 | $26,885 | $84,507 | $84,507 |
| Police - Equipment | $0 | $0 | $311,000 | $311,000 |
| Parks - Equipment Purchase | $0 | $34,830 | $75,000 | $75,000 |
| **Total Equipment Purchase** | **$350,000** | **$284,094** | **$699,507** | **$349,507** |
| Building - Contract Services | $0 | $101 | $0 | $0 |
| Parks - Contract Services | $0 | $9,350 | $390,221 | $390,221 |
| CED - Contracted Services | $0 | $0 | $551,741 | $551,741 |
| **Total Contracted Services** | **$0** | **$9,451** | **$941,962** | **$941,962** |
| PW - Land Easement | $0 | $24,448 | $0 | $0 |
| **Total Land Easement** | **$0** | **$24,448** | **$0** | **$0** |
| **Capital Fund expenditures** | **$650,000** | **$413,859** | **$4,663,902** | **$4,013,902** |
| **Surplus / (Deficit)** | **$200,000** | **($181,676)** | **($1,021,838)** | **($1,221,838)** |

## Other Funds – Liquid Fuels Fund

The Commonwealth of Pennsylvania Municipal Liquid Fuels Program provides funding to eligible municipalities for projects and activities that support road and street construction, maintenance, repair, and reconstruction. Each municipality's allocation is based on its population; the amount of eligible road miles; and the State Motor License Fund's tax receipts.

In September 2024, the Pennsylvania Department of Transportation (PennDOT) informed the City that its estimated allocation for 2025 is $823,011, or 3.2 percent less than it received in 2024. The City may also receive additional funding through Delaware County.

| Source | 2024 Budget | 2024 Jan - Sept | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| PennDOT allocation | $850,000 | $834,621 | $823,011 | ($26,989) |
| County allocation | $0 | $0 | $40,000 | $40,000 |
| Interest earnings | $20,000 | $22,719 | $20,000 | $0 |
| **Total revenues** | **$870,000** | **$857,340** | **$883,011** | **$13,011** |

The City will use most of its 2025 allocation to pay for traffic signal and street light electricity; traffic signal maintenance; eligible vehicle purchases; and street maintenance. The fund carried $578,000 into 2024 which would cover the deficits shown below.

| Source | 2024 Budget | 2024 Jan - Sept | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Electricity - Traffic signals | $10,500 | $8,843 | $12,000 | $1,500 |
| Electricity - Street lights | $475,000 | $299,401 | $638,722 | $163,722 |
| Vehicle repairs | $0 | $21,847 | $5,000 | $5,000 |
| Vehicle purchase | $0 | $200,599 | $160,000 | $160,000 |
| Traffic signal maintenance | $125,000 | $58,828 | $140,000 | $15,000 |
| Street light maintenance | $100,000 | $14,147 | $25,000 | ($75,000) |
| Equip. maintenance & repairs | $0 | $2,365 | $5,000 | $5,000 |
| Street maintenance & repairs | $150,000 | $75,906 | $112,000 | ($38,000) |
| Rock salt | $30,000 | $32,598 | $40,000 | $10,000 |
| Other | $0.00 | $9,346.11 | $5,000.00 | $5,000 |
| **Total expenditures** | **$890,500** | **$723,881** | **$1,142,722** | **$252,222** |
| **Surplus / (Deficit)** | **($20,500)** | **$133,459** | **($259,711)** | **($239,211)** |

# Other Funds – Solid Waste Fund

The City of Chester contracts with a private company for residential rubbish and recycling collection, including bulk item disposal. To fund these services, the City bills rubbish fees to residential property owners annually during the real estate tax process.

In 2025, the City will increase the annual fee for rubbish from $300 to $350 per household. Since the City expects to bill over 10,500 properties, the total billing for 2025 is $3.7 million. The expected current year collection rate for 2025 is 70.2 percent, which translates to $2.6 million in current year revenue (see table to right).

**Rubbish Fee - Current Year**

| | 2025 Budget |
|---|---|
| Annual Fee ($) | $350 |
| Number of units billed (#) | 10,587 |
| Total amount to invoice ($) | $3,705,450 |
| **Total anticipated collections ($)** | **$2,600,000** |
| Collection rate (%) | 70.2% |

The City has struggled to collect rubbish fee revenue in the year that it is due. The assumed 70 percent collection rate means the City would not collect more than a quarter of the revenue due next year (or $1.1 million in uncollected revenue). In comparison, the City's expected collection rate for current year real estate taxes, which are billed at the same time, is 80.0 percent[1]. The City is enhancing its own collection efforts and contracting with an external collector for delinquent accounts to improve performance.

The City anticipates a small amount of revenue annually from prior year collections ($400,000) and penalties and interest for late payment ($50,000). Because this is not enough to cover the program costs, the Solid Waste Fund also receives a subsidizing transfer from the General Fund. The 2025 General Fund subsidy will be smaller because the City will charge less of its program costs to this fund[2].

| Source | 2024 Budget | 2024 Jan - Sept | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Rubbish Fee - Current Year | $2,391,300 | $2,140,006 | $2,600,000 | $208,700 |
| Rubbish Fee - Prior Years | $300,000 | $363,919 | $400,000 | $100,000 |
| Rubbish Fee - Penalty & Interest | $20,000 | $55,529 | $50,000 | $30,000 |
| Transfer in | $834,932 | $0 | $525,000 | ($309,932) |
| **Solid Waste Fund revenue** | **$3,546,232** | **$2,559,454** | **$3,575,000** | **$28,768** |

Most Solid Waste Fund expenditures are waste management fees paid to the City's trash hauler. The City contracts with J.P. Mascaro & Sons to collect waste and recycling from residents one day per week. Mascaro also added bulk trash pickup for an additional cost in recent years.

Public Works employees in the City's Sanitation Division collect rubbish from illegal dumping and public properties. When the City takes this waste to the facility operated by the Delaware County Solid Waste Authority (DCSWA), it must pay a tipping fee by tonnage, and those fees are also paid from this fund. Tipping fees in the budget table below include both bulk and non-bulk charges.

The City changed how it accounts for personnel costs between the 2024 and 2025 budgets. In 2024, the City budgeted to pay compensation costs for its Recycling, Trash & Streets Coordinator directly out of the

[1] The 80 percent collection rate for real estate taxes is also low, though higher than the refuse collection rate. The real estate tax collection rate includes commercial and other properties that do not participate in the residential refuse/recycling collection program.
[2] The 2024 budget showed the General Fund transferring money to the Solid Waste Fund so that it could then reimburse the General Fund for direct and indirect costs. The 2025 budget simplifies this process by having the General Fund cover those direct and indirect costs upfront, with fewer interfund transfers.

Solid Waste Fund. In 2025, the City will pay these expenditures from its General Fund and then transfer rubbish fee revenue from this Fund to reimburse the General Fund.

The 2024 budget also charged the Solid Waste Fund for more of the direct and indirect costs associated with refuse and recycling collection. Since the Solid Waste Fund operates at a deficit, it cannot pay these allocated costs, so they have been removed from the 2025 budget (see reduced operating transfer below).

| Source | 2024 Budget | 2024 Jan - Sept | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Salaries and wages | $45,619 | $0 | $0 | ($45,619) |
| FICA | $3,490 | $0 | $0 | ($3,490) |
| Pension costs | $1,519 | $0 | $0 | ($1,519) |
| Life insurance | $63 | $0 | $0 | ($63) |
| Rubbish Operating Transfer | $693,560 | $0 | $100,000 | ($593,560) |
| Waste Management Fee | $1,527,600 | $1,615,541 | $2,013,000 | $485,400 |
| Bulk Waste Disposal | $468,000 | $331,480 | $0 | ($468,000) |
| Tipping Fees | $850,000 | $410,479 | $1,322,880 | $472,880 |
| Refuse Removal/Disposal | $0 | $1,155 | $0 | $0 |
| Professional Fee | $0 | $0 | $57,000 | $57,000 |
| **Solid Waste Fund expenditures** | **$3,589,851** | **$2,358,656** | **$3,492,880** | **($96,971)** |
| **Surplus / (Deficit)** | **($43,619)** | **$200,798** | **$82,120** | **$125,739** |

## Other Funds – Rental Inspection Fund

In 2023, the City established a new program that requires all residential rental properties are registered with the City annually and inspected to ensure compliance with health and safety standards. Rental property owners will pay $200 per residential rental unit annually, with a discount for properties that have more than three rental units and penalties for late payments.

The City established this enterprise fund to receive all revenues related to this program and use them to cover the program's costs.

Program costs are initially paid out of the General Fund and then the Rental Inspection Fund reimburses the General Fund via transfer. The estimated cost of the City's rental inspection program in 2025 is $600,000, primarily associated with employee compensation for the City inspectors and clerks who staff the program.

| Source | 2024 Budget | 2024 Jan - Sept | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| **Rental Inspection revenue** | **$895,450** | **$582,495** | **$650,000** | **($245,450)** |
| Operating Transfer Out | $889,700 | $502,065 | $600,000 | ($289,700) |
| Postage | $4,000 | $0 | $0 | ($4,000) |
| Supplies | $250 | $0 | $0 | ($250) |
| Mileage Reimbursements | $1,500 | $0 | $0 | ($1,500) |
| **Rental Fund expenditures** | **$895,450** | **$502,065** | **$600,000** | **($295,450)** |
| **Surplus / (Deficit)** | **$5,750** | **$80,430** | **$50,000** | **$44,250** |

## Other Funds – Special Events Fund

The City has a separate Fund to pay for special events. In 2025, the City will use $40,000 in transfers from the General Fund, donations, and a small amount of interest earning to fund these events.

| Source | 2024 Budget | 2024 Jan - Sept | 2025 Budget | $ Change 2024 to 2025 |
|---|---|---|---|---|
| Interfund Transfer | $0 | $0 | $40,000 | $40,000 |
| Donations | $0 | $0 | $25,000 | $25,000 |
| Interest | $0 | $2,300 | $500 | $500 |
| **Special Event revenue** | **$0** | **$2,300** | **$65,500** | **$65,500** |
| **Special event expenses** | **$0** | **$54,228** | **$65,000** | **$65,000** |
| **Surplus / (Deficit)** | **$0** | **($51,928)** | **$500** | **$500** |

**END**